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1980-1993

**Minute Book  
Certificate Book  
and  
Stock Ledger  
of**



11032352

# U.S. EPA REGION IV

## SDMS

### POOR LEGIBILITY

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2. For light image page, decrease the brightness and increase the contrast.

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OFFICES

1. The principal office shall be in Knoxville at such place as shall be selected by the Board of

STOCKHOLDERS' MEETINGS

2. All meetings of the stockholders shall be held at the office of the company in Knoxville, Tennessee.

3. An annual meeting of stockholders shall be held on June 1 of each year, if June 1 be not on a Sunday or a holiday. If in any year June 1 falls on a Sunday or a holiday, the annual meeting for such year shall be held on the next day following June 1 which is not a Sunday or a holiday. At each annual meeting, the stockholders shall elect a Board of Directors and transact such other business as properly come before the meeting.

4. The holders of a majority of the stock issued and standing, and entitled to vote thereat, present in person or represented by proxy, shall be requisite and shall constitute a quorum at all meetings of the stockholders for the transaction of business except as otherwise provided by law, by the Certificate of Incorporation, or by these By-Laws. If such a majority shall not be present or represented at a meeting of the stockholders, the stockholders entitled to vote thereat, present in person or by proxy, shall have power to adjourn the meeting from time to time without notice until the requisite amount of voting stock shall be represented. At such adjourned meeting at which the requisite amount of voting stock shall be represented any business may be transacted which might have been transacted at the meeting had it not been adjourned.

5. At such meeting of the stockholders every holder of a share having the right to vote shall be entitled to vote in person or by proxy appointed by an instrument in writing signed by such stockholder and bearing a date not more than sixty days prior to said meeting, unless said instrument provides for a longer period. Each stockholder shall have one vote for each share of stock having voting power, registered in the books of the corporation, except that no proxy shall be voted on any election for Directors which shall be held on the books of the corporation within sixty days of such election. Upon demand of any stockholder at any meeting or by written demand before the meeting shall be held, the corporation and all of its officers and directors shall

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6. The secretary of the corporation shall mail a written notice of the annual meeting, postage prepaid, to each holder entitled to vote thereat, at such address as appears on the stock book of the corporation, at least ten days before the meeting.

7. A complete list of the registered stockholders shall be kept by the secretary and shall at all times, during business hours for business, be open for examination by any stockholder.

8. Special meetings of the stockholders, for any purpose or purposes, unless otherwise prescribed by statute, may be called at any time by the President, and shall be called by the President or Secretary at the request, in writing, of a majority of the Board of Directors, or at the request, in writing, of stockholders owning one-half in amount of the entire stock of the corporation issued, outstanding, and entitled to vote. Such request shall state the purpose or purposes of the proposed meeting.

9. The Secretary of the corporation shall mail a written notice of any special meeting of stockholders stating the time and place and object thereof, postage prepaid, at least ten days before such meeting, to each stockholder entitled to vote thereat, at such address as appears on the books of the corporation.

10. Business transacted at all special meetings shall be confined to the objects stated in the call.

#### DIRECTORS

11. The property and business of this corporation shall be managed by its Board of Directors, the number of which shall be not less than three nor more than seven, as the stockholders may from time to time determine. They shall be elected at the annual meeting of the stockholders, and each Director shall be elected to serve for one year or until his successor is elected and qualify.

12. The Directors may hold their meetings and conduct the business of the corporation in one or more offices and keep the books of the corporation in any office of the corporation in the City of Knoxville or at such other places as they from time to time determine.

13. In addition to the powers and authorities conferred upon them by-laws expressly conferred upon them, the Board of Directors shall exercise all such powers of the corporation and do all such acts and things as are not by statute or by the Charter of Incorporation or by these by-laws directed to be exercised or done by the stockholders.



### COMPENSATION OF DIRECTORS

14. Directors, as such, shall not receive any salary for their services, but by resolution of the Board sums and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board; provided, that nothing herein contained shall be construed to preclude any Director from serving the corporation in any other capacity and receiving compensation therefor.

15. Members of special or standing committees may be allowed like compensation for attending meetings.

### MEETINGS OF THE BOARD

16. Immediately after each annual meeting of the stockholders, a meeting of the newly elected Board of Directors shall be held, provided that the election of directors has taken place at said meeting. If at any annual meeting of stockholders an election of directors be held, then as soon thereafter as an election be held, a meeting of the Board of Directors shall be held immediately after the stockholders' meeting at which such election may have taken place.

At each such meeting of the Board of Directors held immediately after their election, the Board shall specify by resolution the times and places at which regular meetings of the Board of Directors shall be held during the ensuing year. Thereafter, the time and place of holding meetings may be changed at any regular meeting by resolution of the Board of Directors.

17. Special meetings of the Board may be called by the President on one day's notice to each Director, either in person or by mail or by telegram; special meetings shall be called by the President or Secretary in like manner and on like notice at the written request of any Director.

18. At all meetings of the Board of Directors a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business, and the majority of the Directors present at any meeting shall be a quorum, shall be the acts of the Board of Directors as may be otherwise provided by statute or the laws of Incorporation or by these by-laws.

### OFFICERS

19. The officers of the corporation shall be a President, a Treasurer, The Secretary and Treasurers.

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The officers shall be appointed by the Board of Directors at the first meeting of the Board after each annual stockholders meeting.

20. All officers of the corporation shall be appointed for a one-year term, or until their successors be appointed, that the Board of Directors may, in their discretion, by resolution that any officer of the corporation be appointed by a written contract which shall specify a longer term than one year. In the absence of such written contract so authorized by resolution of the Board of Directors, any officer, agent, or employee of the corporation may at any time be removed from position and/or his employment with the corporation terminated by a majority vote of the Board of Directors.

21. The Board of Directors shall have power to fix the salaries of Officers, Agents, or Employees of the corporation and may appoint any additional officers, agents, or employees in addition to those named in these by-laws; provided that so long as the Preincorporation and Subscription Agreement dated January 1, 1980, between this corporation and all of its shareholders, remains in effect, all salaries shall be fixed only as provided in said agreement.

22. The Board of Directors shall have the power to assign the duties required of all officers, agents, and employees of the corporation, except as otherwise herein provided.

23. If the office of any Director or any officer becomes vacant by reason of death, resignation, retirement, disqualification, removal from office, or otherwise, then the Board, by a majority vote, may choose a successor or successors who shall hold office for the unexpired term in respect of which such vacancy occurred.

#### DUTIES OF OFFICES MAY BE DELEGATED

24. In case of the absence of any officer or for any reason that the Board may deem sufficient, the Board may delegate, for the time being, the powers or duties of them, of such officer to any other officer, or to any Director, provided a majority of the entire Board is present.

#### CERTIFICATES OF STOCK

25. The Certificates of stock of the corporation shall be numbered and shall be entered in the book in which they are issued. They shall exhibit the number of shares, and shall be signed by the President, or an Assistant Treasurer, or the Secretary.

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26. Transfers of stock shall be made on the books of the corporation only by the person named in the Certificate, or an attorney, lawfully constituted in writing, and upon the order of the Certificate therefor.

27. It shall be the duty of any person acquiring an interest in any certificate of stock in this corporation, either as a pledgee, trustee, or otherwise, to cause the transfer of such stock to be made on the books of the corporation, or to cause the transfer of his interest, claim, or lien, to be recorded thereon, at the time of the event that he has not acquired the right to have the shares represented by such certificate transferred to him. And if any such person fails to have such transfer made of his interest, claim, or lien recorded within sixty (60) days after he becomes entitled to do so, (excluding any period in which the transfer books may be closed), he shall have no claim against the corporation on account of the share or shares represented by his certificate having later been transferred to some other person, or having been over-issued, or for any other cause. And specifically, the corporation shall not be liable to any such person by reason of having, in good faith, before receiving notice of his claim, recognized some person as owner of (by issuance of a certificate for) shares or shares owned by the transferor of the person who has failed to cause a transfer to be made or claim to be recorded on the books of the corporation as herein required.

28. In the event that any two or more stockholders enter into agreements between themselves restricting the transferability of their stock, granting options for the purchase thereof, or agreeing to give to a certain other stockholder or certain other stockholders the first opportunity to purchase the stock in the event of a disposition of their stock, the parties to any such agreements shall have the privilege of filing the same with the Secretary of the Corporation, and upon such agreement so filed, they shall be notice to all the world, and any person acquiring any stock in this corporation shall be under a duty of ascertaining whether or not such agreements have been filed with the Secretary of the Corporation.

Upon the filing of any such agreements, it shall be the duty of the Secretary of the corporation to make a notation thereof upon his records and also upon the face of the certificates affected thereby, such notation on such certificates to be by handwriting, rubber stamp impression, or by any other appropriate means as the Secretary may determine.

#### CLOSING OF TRANSFER BOOKS

29. The Board of Directors may close the transfer books at their discretion for a period not exceeding thirty (30) days at any meeting, annual or special, of the corporation, or for the payment of a dividend.

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### REGISTERED STOCKHOLDERS

30. The corporation shall be entitled to treat of record of any share or shares of stock as the holder thereof, and accordingly shall not be bound to recognize equitable or other claim to or interest in such share as part of any person, whether or not the corporation shall have actual or other notice thereof, save as expressly provided by the laws of Tennessee.

In particular, the corporation shall be under no liability to any person who shall have failed to give notice to the corporation of any interest claimed in any share or shares of stock in the corporation, within sixty (60) days after such interest shall have been acquired, as provided in Paragraph 27 of the by-laws.

### LOST CERTIFICATE

31. Any person claiming a certificate of stock to be lost or destroyed shall make an affidavit or affirmation of the fact and advertise the same in such a manner as the Board of Directors may require, and shall, if the Directors so require, give the corporation a bond of indemnity, in form and with one or more sureties satisfactory to the Board, in at least the value of the stock represented by said certificate, whereupon a new certificate may be issued of the same tenor and for the same number of shares as the one alleged to be lost or destroyed.

### CHECKS AND NOTES

32. All checks or demands for money and notes payable by the corporation shall be signed by such officer or officers of the corporation as the Board of Directors may from time to time designate.

### DIVIDENDS

33. The Board of Directors may, without authorization of the stockholders, declare dividends or make distributions to the stockholders in either cash or property, provided that dividends must be paid from earned surplus, and distributions must be paid or made from either earned surplus or earned surplus, and the capital of the corporation shall not be impaired; provided, further, that when a distribution is payable in any medium other than cash, appraisals must be secured to establish the value of the property being distributed.

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### NOTICES

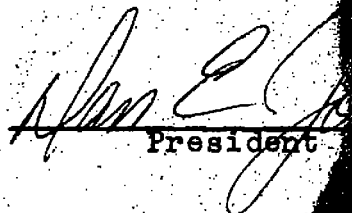
34. Whenever under the provisions of these by-laws notice is required to be given to any Director, officer, or stockholder, it shall not be construed to mean personal notice, but notice may be given in writing, by mail, by depositing the same in the postoffice or letter box, in a postpaid sealed envelope addressed to such stockholder, officer, or Director, at the address as appears on the books of the corporation, or at any other address, to such Director, officer, or stockholder, at the General Postoffice in the City of Knoxville, Tenn., and such notice shall be deemed to be given at the time the same shall be thus mailed.

35. Any stockholder, director, or officer may waive the notice required to be given under these by-laws.

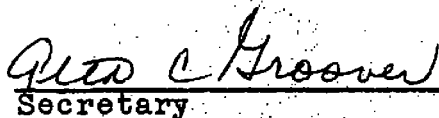
### AMENDMENTS

36. These by-laws may be altered or amended by the affirmative vote of a majority of the stock issued, outstanding, and entitled to vote thereat, at any regular or special meeting of the stockholders, if notice of the proposed alteration or amendment be contained in the notice of the meeting; provided, however, that no change of the time or place for the election of Directors shall be made within sixty days before the date of said election is to be held, and that in case of any change of such time or place notice thereof shall be given to each stockholder by the Secretary of the corporation, in person or by mail to his last known postoffice address, at least ten days before the election is held.

The above by-laws adopted this 25nd day of January

  
President

ATTEST:

  
Secretary

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MINUTES OF THE FIRST MEETING OF THE INCORPORATORS OF  
MOUNTAIN SMELTERS, INC., HELD JANUARY 25, 1980, AT 2  
AT THE OFFICES OF THE COMPANY IN KNOXVILLE, TENNESSEE

Pursuant to call, the Incorporators of Smokey Mountain  
Smelters, Inc., assembled at the offices of the company  
in Knoxville, Tennessee, at 2:00 p.m. on Tuesday, January  
1980. The roll call showed that the following were present:

David A. Witherspoon, Jr.

Dan E. Johnson

Upon motion duly made, seconded, and unanimously  
Dan E. Johnson and David A. Witherspoon, Jr. were elected  
Chairman and Secretary, respectively, of the meeting.

The Chairman announced that the purpose of the meeting  
to consider the Charter of Incorporation as applied for  
20, 1979, and as granted by the State of Tennessee on  
27, 1979. Said Charter, bearing the Certificate of the  
of State of the State of Tennessee, was presented and  
having been registered in the Office of the Register  
for Knox County, Tennessee, on January 11, 1980. Upon  
duly made, seconded, and unanimously carried, said Charter  
adopted and a true copy thereof ordered spread upon  
of the corporation.

Upon motion duly made, seconded, and unanimously  
a set of by-laws as presented and read, were adopted as the  
government of the corporation, and it was ordered that the same  
be spread upon the minutes of the corporation.

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The Chairman then announced that nominations for  
to serve the corporation until the first meeting of  
or until their successors be elected, were in order.  
upon, upon motion duly made, seconded, and unanimously  
the following were elected to the offices indicated opposite  
their names, to serve until the first meeting of directors  
until their successors be elected:

Dan E. Johnson, President  
David A. Witherspoon, Jr., Vice-President  
Alta C. Groover, Secretary-Treasurer

Upon motion duly made, seconded, and unanimously  
the Secretary was authorized to purchase the necessary  
supplies and equipment, including but not limited to all  
and office equipment necessary for the operation of the  
of the corporation.

The President then announced that the books of the  
had been opened, and the following subscriptions have

<u>Date</u>	<u>Name</u>
1-22-80	Pat-Ashe Investments, Inc.
1-22-80	Dan E. Johnson and David A. Witherspoon, Jr.

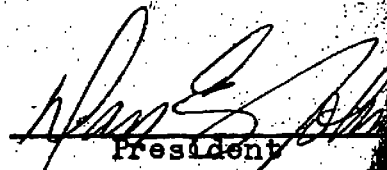
The President announced that said subscription  
in accordance with and subject to all the provisions of the  
Preincorporation and Subscription Agreement which  
proposed to enter into with this corporation.  
further that it was contemplated the Charter  
would be amended to provide that its stock  
\$1.00 per share, and to include preemptions

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other provisions in accordance with said Preincorporation  
Subscription Agreement.


Upon motion duly made, seconded, and unanimously  
it was voted that this corporation should accept said  
terms in accordance with the conditions above stated in  
minutes, and in accordance with all other provisions of  
Preincorporation and Subscription Agreement.

Upon motion duly made, seconded, and unanimously  
the President was authorized to call a meeting of stockholders  
immediately following the adjournment of this meeting.

There being no further business to come before the  
it was, upon motion duly made, seconded, and unanimously  
adjourned.

  
President

ATTEST:

  
Secretary



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MINUTES OF STOCKHOLDERS' MEETING OF SMOKEY MOUNTAIN  
INC., HELD JANUARY 25, 1980 AT 2:30 P.M. AT THE OFFICE OF  
COMPANY IN KNOXVILLE, TENNESSEE

Pursuant to call, the stockholders of Smokey Mountain  
Smelters, Inc., met January 25, 1980, at 2:30 P.M. at  
offices of the company in Knoxville, Tennessee.

The meeting was called to order by the President.

The President thereupon took a poll of stock present  
represented, and reported that holders of all the outstanding  
shares were present in person or by proxy. This constituted  
a quorum, the meeting was declared legally open for the  
action of business.

Upon motion duly made, seconded, and unanimously  
the by-laws adopted by the Incorporators were read,  
and adopted.

Thereupon, the President announced that nomination  
election of directors of the corporation was in order.  
nominations duly made, seconded, and unanimously carried.  
following were elected to serve as directors of the corporation:

David A. Witherspoon, Jr.  
Dan E. Johnson  
Alta C. Groover


Upon motion duly made, seconded, and unanimously carried,  
all things done hitherto in the name of, or on behalf of,  
corporation by the Incorporators and/or by the officers of the  
corporation, including specifically, but not limited to,

exclusion, all contracts and agreements made by the name of or on behalf of the corporation prior to this meeting, were adopted and ratified by the corporation its own acts and deeds.

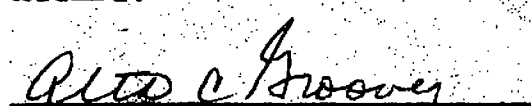
A form of common stock certificate, a specimen of which is attached to these minutes, was presented and read, motion duly made, seconded, and unanimously carried, it was voted to adopt said form for use of the corporation.

Upon motion duly made, seconded, and unanimously carried, the stockholders considered a proposed Amendment to the Charter of this corporation, which proposed amendment was read at the meeting, an exact copy appearing in these minutes immediately following the minutes of this meeting. After discussion, the stockholders voted unanimously that the corporation should apply to the State of Tennessee for an Amendment to its Charter, and the officers and directors were authorized and directed to submit said Application immediately and to take all other steps necessary or appropriate to cause the charter of this corporation to be amended.

There being no further business to come before the stockholders, it was, upon motion duly made, seconded, and unanimously carried, adjourned.

  
President

ATTEST:

  
Secretary

MINUTES OF DIRECTORS' MEETING OF SMOKEY MOUNTAIN SM  
HELD JANUARY 25, 1980, AT 3:00 P.M. AT THE OFFICES OF  
COMPANY IN KNOXVILLE, TENNESSEE

Pursuant to call, the Directors of Smokey Mountain  
Inc. met on January 25, 1980, at 3:00 p.m. at the office  
the company in Knoxville, Tennessee. All of the Directors  
were present.

All of the acting officers of the corporation elected  
the meeting of the Incorporators tendered their resignations  
to the Board of Directors, effective upon the election of  
successors. Upon motion duly made, seconded, and unanimously  
carried, said resignations were accepted in accordance with the  
terms thereof.

The President then declared the meeting open for  
nomination and election of officers of the corporation. Upon  
nominations duly made, the following were elected to the  
offices indicated opposite their names:

Dan E. Johnson, President  
David A. Witherspoon, Jr., Vice-President  
Alta C. Groover, Secretary and Treasurer

Thereupon, upon motion duly made, seconded, and unanimously  
carried, the following resolution was adopted:

RESOLVED, that the officers of this corporation  
of them are hereby authorized to open a bank  
accounts with any bank in Knoxville, Tennessee,  
the name of this corporation, and to deposit  
from time to time any and all checks, and other  
monies belonging to this corporation.

FURTHER RESOLVED, that the President,  
Treasurer, and their successors in office  
are hereby authorized to sign

and orders for the payment and/or withdrawal held in such bank or bank accounts by this corporation any bank in which such accounts are held, is hereby authorized to honor any and all such checks, drafts, and orders.

FURTHER RESOLVED, that endorsements on behalf of this corporation upon any checks, drafts, notes, or other such instruments deposited to the account of this corporation for collection or otherwise, may be made by any one of said officers or their successors, either by writing or by stamp impression in the name of this corporation.

Upon motion duly made, seconded, and unanimously carried, the following resolution was adopted;

RESOLVED, that either the President or the Vice-President of this corporation shall be and are hereby authorized to execute on behalf of this corporation any notes, contracts, and other legal instruments whereby the corporation may be obligated, and the Secretary-Treasurer is authorized to attest the signatures of either President or Vice-President on such instruments, as may be necessary.

Upon motion duly made, seconded, and unanimously carried, the following resolution was adopted:

WHEREAS, in order to carry on the business of this corporation in the most efficient manner, it is desirable that a permanent office be established near the proposed principal operations,

NOW THEREFORE BE IT RESOLVED, that until further action by the stockholders or directors of this corporation, permanent offices of this corporation shall be and are hereby established at 901 Old Maryville Pike, Knoxville, Tennessee 37920.

Upon motion duly made, seconded, and unanimously carried, the Board ratified and affirmed the Preincorporation Subscription Agreement entered into January 1, 1964, by this corporation, Pat-Ashe Investments, Inc., and Dan E. Johnson, and it was directed that a copy of the Preincorporation and Subscription Agreement

be placed in the minutes.

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immediately following the minutes of this meeting.

There being no further business to come before  
it was, upon motion duly made, seconded, and unanimous  
adjourned.

*Wm C. Groover*  
President

ATTEST:

*Wm C. Groover*  
Secretary

March 10,

I hereby offer my resignation as Secretary and Treasurer of  
Mountain Smelters, Inc. effective immediately.

Alta C. Groover  
Alta C. Groover

MINUTES OF DIRECTORS' MEETING OF SMOKEY MOUNT  
SMELTERS, INC. HELD JANUARY 18, 1985, AT 1:30  
AT THE OFFICES OF THE COMPANY IN KNOXVILLE, TENN.

The meeting was called to order at 1:30 P.M.  
January 18, 1985. Present were Dan Johnson, Ronnie  
Cate and Jean Thompson.

Financial statements thru December 1984 were  
discussed. Income and expense situations were  
reviewed. Based on contributions and efforts of  
Dan Johnson, a bonus of \$35,000.00 was voted to be  
paid to him.

Jean Thompson was elected as Corporate Secretary.

There being no further business, the meeting  
duly adjourned.

  
PRESIDENT

ATTEST:

  
SECRETARY

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MINUTES OF DIRECTORS' MEETING OF SMOKEY MOUNTAIN SMELT  
JANUARY 3, 1986 AT 1:30 P.M. AT THE OFFICES OF THE CO  
TENNESSEE.

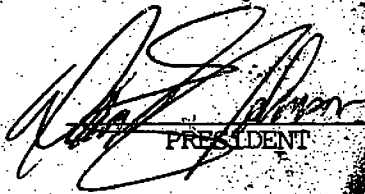
Pursuant to call, the directors of Smokey Mountain  
met on January 3, 1986 at 1:30 P.M. at the offices of the c  
Knoxville, Tennessee. Present were Dan Johnson, Jean Thompson,  
Ed Summers (Corporate Attorney).

The meeting was called to order by the President.

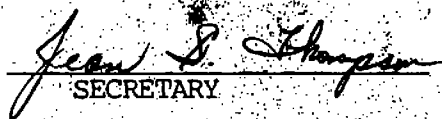
The first item of business was the merger of Smokey Mountain  
Smelters, Inc. and Rotary Furnace, Inc.. Ed Summers presented  
Board the Articles and Plan of merger. Upon motion duly made  
and unanimously carried, the Board ratified and affirmed the  
plan. It was directed that a copy of the merger Articles and  
made a part of these minutes and be placed in the minute book  
company.

Income and expense situations of the company were review  
to purchase of additional property used by SMS, it was voted  
the rent to \$10,000.00. A salary of \$1,000.00 weekly was vo  
Dan Johnson for the year of 1986.

There being no further business, the meeting was duly a

  
PRESIDENT

ATTEST:

  
SECRETARY



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MINUTES OF DIRECTORS' MEETING OF SMOKEY MC  
INC. HELD FEBRUARY 1986 AT 2:00 P.M. AT THE  
THE COMPANY IN KNOXVILLE, TENNESSEE.

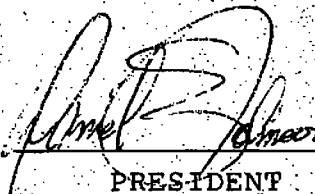
Pursuant to call, the directors of Smokey  
Smelters met February 1986 at 2:00 P.M. Present  
Dan Johnson and Jean Thompson.

Income and expense situations were reviewed.

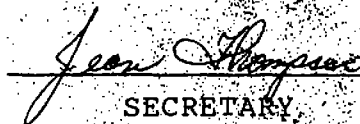
Upon motion duly made, seconded and unanimously  
carried Smokey furnace will be rebuilt and a computer  
bought for the office. Upon motion duly made, seconded  
and unanimously carried, elected to the Board of Directors  
were Dan Johnson, Jean Thompson and Jack Campbell.

Upon motion duly made, seconded and unanimously  
carried, SMS will purchase a used Peterbilt truck  
five trailers to haul aluminum.

There being no further business, the meeting  
duly adjourned.

  
PRESIDENT

ATTEST:

  
SECRETARY

MINUTES OF DIRECTORS' MEETING OF SMOKEY MOUNT  
INC. HELD JUNE 1, 1987 AT 2:00 P.M. AT THE OFFICE OF  
COMPANY IN KNOXVILLE, TENNESSEE.

Pursuant to call, the directors of Smokey Mount  
Smelters, Inc. met June 1, 1987 at 2:00 P.M. Present  
were Dan Johnson and Jean Thompson.

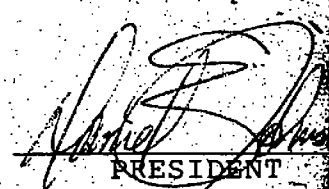
Income and expense situations were reviewed.

Upon motion duly made, seconded, and unanimously  
carried, the Board affirmed the proposal to purchase  
the Smokey furnace from Dan Johnson.

Upon motion duly made, seconded, and unanimously  
carried, the offices of SMS will be located at 145  
Maryville Pike when a building can be provided in

Upon motion duly made, seconded and unanimously  
carried, re-elected to the Board of Directors were  
Johnson, Jean Thompson and Jack Campbell.

There being no further business, the meeting  
duly adjourned.

  
PRESIDENT

ATTEST:

  
SECRETARY

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MINUTES OF DIRECTORS' MEETING OF SMOKEY MOUNTAIN  
INC. HELD JUNE 1, 1988 AT THE OFFICES OF THE CO  
KNOXVILLE, TENNESSEE.

The meeting was called to order at 2:00 P.M. J  
1988. Present were Dan Johnson, Jean Thompson and  
Campbell.

Income and expense situations were discussed.

Upon motion duly made, seconded and unanimously  
carried, SMS will lease a new office building at  
Maryville Pike from Dan Johnson with occupancy to  
in July or August of 1988.

Upon motion duly made, seconded and unanimous  
re-elected to the Board of Directors were Dan John  
Thompson and Jack Campbell.

There being no further business, the meeting  
duly adjourned.

  
PRESIDENT

ATTEST:

  
SECRETARY

MINUTES OF DIRECTORS' MEETING OF SMOKEY MOUNTAIN  
INC. HELD AUGUST 26, 1988 AT 1:30 P.M. AT THE OFFICE OF  
THE COMPANY IN KNOXVILLE, TENNESSEE.

The meeting was called to order at 1:30 P.M.  
26, 1988. Present were Dan Johnson and Jean Thompson.

Income and expense situations were reviewed. It  
decided to seek 150,000.00 line of credit with the First  
Tennessee Bank.

Upon motion duly made, seconded, and unanimously  
carried, the following Resolution was adopted:

RESOLVED, that the President or any other officer  
of this corporation be and they are hereby jointly  
severally authorized and directed to execute and deliver  
to FIRST TENNESSEE BANK NATIONAL ASSOCIATION (the Bank)  
promissory notes or other evidences of indebtedness and  
otherwise grant to Bank such mortgages or securities  
as may be required by the Bank to secure repayment  
and all debts due and owing by said corporation to the  
Bank, and to otherwise execute and deliver any and all  
documents necessary or appropriate for the purpose of  
carrying this resolution into effect.

Upon motion duly made, seconded and unanimously  
carried, an alarm system will be installed in the  
office building.

There being no further business, the meeting was  
duly adjourned.

ATTEST:

*[Signature]*

24  
MINUTES OF DIRECTORS' MEETING OF SMOKEY MOUNTAIN  
APRIL 5, 1989 AT 3:00 P.M. AT THE OFFICES OF THE COMPANY  
TENNESSEE.

Pursuant to call, the directors of Smokey Mountain Smelters  
April 5, 1989 at 3:00 P.M. at the offices of the company in Kingsport,  
Tn.. Present were Dan Johnson, Jean Thompson, and Jack Campbell.

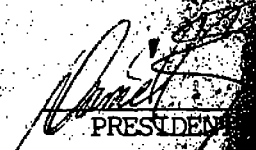
The meeting was called to order by the President.

All Aspects of the business were reviewed.

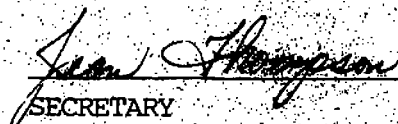
Upon motion made, duly seconded, and unanimously carried, Dan Johnson  
is to proceed immediately to get bids for installing security fences,  
gates, paving of parking lot and approaching road, and new truck  
Work is to be financed through First Tennessee Bank.

Upon motion made, duly seconded, and unanimously carried, Dan Johnson's  
salary will be raised to \$75,000.00 annually beginning April 1, 1989.  
Jean Thompson's salary will be raised to \$28,600.00 beginning  
August, 1989.

There being no further business, the meeting was duly adjourned.

  
PRESIDENT

ATTEST:

  
SECRETARY

MINUTES OF DIRECTORS MEETING OF SMOKEY MOUNTAIN SMELTERS, INC.  
1990 AT 3:00 P.M. AT THE OFFICES OF THE COMPANY IN KNOXVILLE,

Pursuant to call, the directors of Smokey Mountain Smelters, Inc.  
January 25, 1990 at 3:00 p.m. at the offices of the company in Knoxville, Tennessee. Present were Dan Johnson and Jean Thompson.

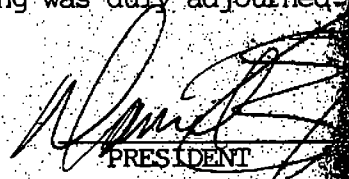
The meeting was called to order by the president.

All aspects of the business were reviewed.

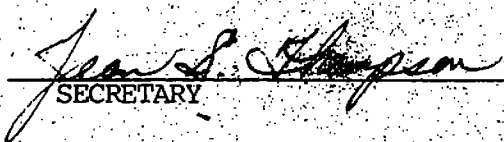
Upon motion made, duly seconded, and unanimously carried Dan Johnson  
proceed immediately to hire a replacement for the purchasing director  
would primarily serve as plant manager.

Environmental aspects were discussed and it was decided to get an  
slag to determine if disposal could be handled in a public landfill.

There being no further business, the meeting was duly adjourned.

  
PRESIDENT

ATTEST:

  
SECRETARY

JANU

I HEREBY OFFER MY RESIGNATION AS VICE-PRESIDENT AND SEC  
OF SMOKEY MOUNTAIN SMELTERS, INC. EFFECTIVE JANUARY 21,

*Jean S. Whittaker*  
JEAN S. WHITTAKER

MINUTES OF DIRECTORS' MEETING OF SMOKEY MOUNTAIN SMELTERS HELD  
1993 AT 2.00 P.M. AT THE OFFICES OF THE COMPANY IN KNOXVILLE, TN

Pursuant to call, the directors of Smokey Mountain Smelters, Inc.  
January 20, 1993 @ 2:00 p.m. at the offices of the company in Knox  
Tennessee. Present were Dan Johnson and Jean Whittaker.

The meeting was called to order by the President.

All aspects of the business were reviewed and methods to generate  
business were discussed.

Jean S. Whittaker moved acceptance of her resignation as Vice-President  
& Secretary of Smokey Mountain Smelters, Inc. to be effective Jan  
1993. This was seconded and unanimously carried.

Upon motion made, duly seconded and unanimously carried, James  
Johnson was elected to be Secretary of Smokey Mountain Smelters.

There being no further business, the meeting was duly adjourned.

  
PRESIDENT

ATTEST:

\_\_\_\_\_  
SECRETARY



CERTIFICATE

SMOKEY MOUNTAIN SMELTERS, INC.

TOTAL AUTHORIZED ISSUE  
1,000 SHARES PAR VALUE \$1.00 EACH

SEE REVERSE FOR  
CERTAIN DEFINITIONS

This is to Certify that

is the owner of

FULLY PAID AND NON-ASSESSABLE SHARES OF THE CAPITAL STOCK OF  
SMOKEY MOUNTAIN SMELTERS, INC.

*the books of the Corporation by the holder hereof in person or by duly  
authorized agent of this Certificate properly endorsed.  
Witness my hand and seal of its duly authorized officers.*

# SMOKEY MOUNTAIN SMELTERS, INC.

TOTAL AUTHORIZED ISSUE  
1,000 SHARES PAR VALUE \$1.00 EACH

SEE REVERSE FOR  
CERTAIN DEFINITIONS  
and restriction  
on sale or  
transfer

This is to Certify that Dan E. Johnson and David A. Witherspoon, Jr. is the owner of

Seven Hundred Fifty - - - - -

FULLY PAID AND NON-ASSESSABLE SHARES OF THE CAPITAL STOCK OF  
SMOKEY MOUNTAIN SMELTERS, INC.

*Witness the hand of the Corporation by the holder hereof in person or by duly  
authorized officer of this certificate properly endorsed:*

*the undersigned officers*

SMOKEY MOUNTAIN SMELTERS, INC.

TOTAL AUTHORIZED ISSUE  
1,000 SHARES PAR VALUE \$1.00 EACH

SEE REVERSE FOR  
CERTAIN DEFINITIONS

and restriction  
on sale or  
transfer

*CANCELLED*

This is to Certify that

Pat-Ashe Investments, Inc.

is the owner of

Two Hundred Fifty

FULLY PAID AND NON-ASSESSABLE SHARES OF THE CAPITAL STOCK OF  
SMOKEY MOUNTAIN SMELTERS, INC.

of the Corporation by the holder hereof in person or by duly  
authorized officer or officers  
in this Certificate properly endorsed

CERTIFICATE HERE

FOR 375 SHARES

USE FORM BELOW FOR TRANSFER FROM ORIGINAL

FROM WHOM TRANSFERRED:

DATED

19

ORIGINAL CERTIFICATE NUMBER

NUMBER  
ORIGINAL  
SHARES

NUMBER  
SHARES  
TRANSFERRED

1934

OR 375 SHARES

RECORD OF TRANSFER OF SURRENDERED CERTIFICATES

NEW CERTIFICATES ISSUED TO:

NUMBER OF  
SHARES  
TRANSFERRED

NUMBER  
OF  
SHARES

32

GLUE CANCELLED CERTIFICATE HERE

FOR 250 SHARES

USE FORM BELOW FOR TRANSFER FROM ORIGINAL ISSUE

FROM WHOM TRANSFERRED:

Pat - Ashe Investments

DATED

19

ORIGINAL CERTIFICATE NUMBER

NUMBER  
ORIGINAL  
SHARES

NUMBER OF  
SHARES  
TRANSFERRED

RECORD OF TRANSFER OF SURRENDERED CERTIFICATES

NEW CERTIFICATES ISSUED TO:

NUMBER OF  
SHARES  
TRANSFERRED

NUMBER  
CERT

CANCELLED CERTIFICATE HERE

FOR 375 SHARES

*W. Witherpoon, Jr.*

USE FORM BELOW FOR TRANSFER FROM ORIGINAL ISSUE

FROM WHOM TRANSFERRED:

DATED \_\_\_\_\_ 19\_\_

ORIGINAL CERTIFICATE NUMBER

NUMBER  
ORIGINAL  
SHARES

NUMBER  
SHARES  
TRANSFERRED

*25* 19 *80*

FOR \_\_\_\_\_ SHARES

RECORD OF TRANSFER OF SURRENDERED CERTIFICATES

NEW CERTIFICATES ISSUED TO:

NUMBER OF  
SHARES  
TRANSFERRED

NUMBER  
CERTIFICATES

LED CERTIFICATE H.

FOR 250 SHARES

MOUNTAIN Smelter, Inc.

19 84

USE FORM BELOW FOR TRANSFER FROM ORIGINAL ISSU

FROM WHOM TRANSFERRED:

DATED

19

ORIGINAL CERTIFICATE NUMBER

NUMBER  
ORIGINAL  
SHARES

NUMBER  
SHARES  
TRANSFERRED

RECORD OF TRANSFER OF SURRENDERED CERTIFICATES

FOR 250 SHARES

19 84

NEW CERTIFICATES ISSUED TO:

NUMBER OF  
SHARES  
TRANSFERRED

NUMBER  
CERT

35



36

CELLED CERTIFICATE HERE

FOR 375 SHARES

USE FORM BELOW FOR TRANSFER FROM ORIGINAL ISSUE

FROM WHOM TRANSFERRED:

DATED

19

ORIGINAL CERTIFICATE NUMBER

NUMBER  
ORIGINAL  
SHARES

NUMBER  
SHARES  
TRANSFERRED

85 1980

FOR \_\_\_\_\_ SHARES

RECORD OF TRANSFER OF SURRENDERED CERTIFICATES

NEW CERTIFICATES ISSUED TO:

NUMBER OF  
SHARES  
TRANSFERRED

NUMBER  
CERT

STATE AND LOCAL SALES AND USE TAX RETURN  
CERTIFICATE OF REGISTRATION NUMBER

2-621075710-001-3

SMOKEY MOUNTAIN SMELTERS, INC.  
1455 MARYVILLE PIKE  
KNOXVILLE TN 37920

SALES PERIOD COVERED  
\* FIRST QT 1985 \*

*Financial  
Records —  
From Tax  
etc.*

THIS RETURN MUST BE POSTMARKED BY THE 20TH OF THE MONTH FOLLOWING THE MONTH FOR WHICH THE TAX IS DUE TO AVOID LOSS OF VENDOR'S COMPENSATION AND THE ASSESSMENT OF PENALTY AND INTEREST.

1. GROSS SALES AND/OR RENTAL PROCEEDS (1)

2. ADD COST OF PERSONAL PROPERTY PURCHASED ON A RESALE CERTIFICATE BUT USED BY YOU, INCLUDING GIFTS AND PREMIUMS (2)

3. ADD COST OF OUT OF STATE PURCHASES AND PROPERTY IMPORTED INTO TENNESSEE FOR YOUR USE (3)

4. FAIR MARKET VALUE OF TANGIBLE PERSONAL PROPERTY FABRICATED, PRODUCED, COMPOUNDED OR SEVERED FROM THE EARTH FOR USE IN THE STATE OF TENNESSEE (4)

5. TOTAL—Add lines 1, 2, 3, and 4 (5)

6. EXEMPT TRANSACTIONS—Must be itemized on Schedule A, Reverse Side (6)

7. NET TAXABLE TOTAL—STATE—Subtract line 6 from line 5 (7)

8. STATE TAX—5.50 % of line 7 (8)

9. LOCAL TAX—1.50 % of line 7 (9)

10. ENTER ANY TAX COLLECTED IN EXCESS OF STATE AND LOCAL LEVIES (10)

11. STATE TAX ON TRANSACTIONS SUBJECT TO REDUCED RATES. ENTER TOTAL TAX FROM LINE 6A, SCHEDULE C, REVERSE SIDE (11)

12. LOCAL TAX ON TRANSACTIONS SUBJECT TO THE REDUCED RATE OF TAX. ENTER TOTAL TAX FROM LINE 10, SCHEDULE C, REVERSE SIDE (12)

13. TOTAL TAX—Add lines 8, 9, 10, 11, and 12 (13)

14. SPECIFIC PENALTY: If filed LATE, add 5% of line 13 for each 30 DAY PERIOD or portion thereof for which TAX IS DELINQUENT. (Total penalty NOT TO EXCEED 25% of line 13. Minimum penalty of \$5.00 regardless of the amount of tax due for whether there is any tax due (14)

15. INTEREST—If filed LATE, add 16 % per annum of line 13 from the DATE DELINQUENT UNTIL PAID (15)

16. VENDOR'S COMPENSATION: Add 2.00 % of the first \$ 2500.00 of the TOTAL TAX (Line 13) to 1.5 % of the amount in excess of \$ 2500.00 of the total tax (Line 13). Deduct the combined total of these amounts only when the return and payments are timely filed. (16)

17. TOTAL TAX (17)

DOLLARS	CENTS
249,761	03
249,761	03
249,761	03
NONE	
44	63
44	63
44	63
44	63

A RETURN MUST BE FILED  
EVEN THOUGH NO SALES  
WERE MADE OR ANY TAX  
DUE

WHEN WRITING TO THIS OFFICE ALWAYS  
STATE CERTIFICATE OF REGISTRATION NUMBER

Prepared By

Approved By

JAN

4803 (84803) — Buff  
8803 (88803) — Green

FEB

SALES TN	SALES TN	INTERSTATE SALES	
1 1,458.60	Major 232.80	JAN 3028.20	(A)
2 1,776.50	1,86.40	2313.50	LIVE M 104,936.86
3 905.85	1,700.80	3,274.00	LIVE F 144,824.17
4 2,713.20	1,736.00	4,004.59	LIVE M 249,761.03
5 2,286.00	1,542.40	21,193.92	
6 3,425.60	2,420.80	33,834.21	
7 1,265.60	2,500.00		
8 1,036.80	1,065.60	FEB 3,392.55	
9 1,732.60	3,409.60	2,599.10	(C)
10 1,355.20	2,630.40	2,718.10	① 8,926.25
11 <349.90>	1,313.60	2,305.80	② 8,926.25
12 1,953.60	1,427.20	2,102.75	③ 8,926.25
13 1,862.20	112.50	3,385.20	④ 44.63
14 2,851.20	1,219.50	3,215.80	
15 1,234.12	1,198.80	1,883.80	
16 1,279.50	<1,996.96>	2,050.50	
17 1,708.50	<425.60>	2,592.80	
18 4,335.00	3,126.00	3,360.70	PAWELERS 1627.60
19 31,840.17	2,644.80	1,386.00	VIRAL EQUIP 2907.89
20 -4280.00 double column	1,990.40	22,346.40	VETERANS STEEL 20250
21 27,564.17	2,196.80	3,293.59	M. ABATEY 636.29
22	2,025.60	5,537.29	KEASO OIL 161.40
23 1,200.00	1,505.60		POWER EQUIP 939.40
24 2,045.60	1,648.00	MAR 3,129.60	TRI-COUNTY 2340.00
25 1,008.00	2,851.20	2,216.90	NEW PRESS FRAME 111.17
26 2,124.80	<1,009.84>	2,319.80	8926.25
27 1,785.60	1,642.50	2,401.00	+ .005
28 808.29	1,262.40	3,092.60	44.63
29 2,172.80	1,712.00	<40.00>	
30 2,270.40	382.50	2,920.40	
31 1,860.00	<116.76>	3,113.60	
32 1,808.00	34,911.79	2,519.44	
33 1,071.45		1,773.75	
34 2,352.00		2,575.58	
35 1,705.60		20,340.00	
36 1,585.60		3,131.10	
37 2,477.80		2,567.60	
38 1,889.80		2,811.90	
39 5,465.60		54,452.67	
40 425.60			

INTERSTATE

TN 2460

158.60  
1776.50  
905.85  
2,713.20  
2,286.00  
2,424.60  
1,265.60  
1,036.80  
1,737.60  
1,355.00  
<349.90>  
1,953.60  
1,867.20  
2,251.20  
1,234.12  
1,279.50  
1,708.50  
4,335.00

31,840.00  
- 4,270.00  
27,560.00

202.00  
3,065.00  
1,008.00  
2,124.80  
1,785.00  
803.20  
2,122.80  
2,270.40  
880.00  
808.00  
071.45  
382.00  
105.60  
1,585.60  
4,477.90  
1,089.90  
1,244.65  
51,425.40  
2,400.50  
2,767

3,028.20  
2,313.50  
3,274.00  
4,004.59  
21,193.92  
33,834.21

3,372.55  
2,579.10  
2,718.10  
2,305.00  
2,007.75  
3,385.20  
3,215.80  
1,883.00  
2,050.50  
2,592.80  
3,360.70  
1,386.80  
22,346.40  
3,293.59  
56,531.29

2,332.80  
1,566.40  
1,700.80  
1,736.00  
1,542.40  
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3,427.20  
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3,126.00  
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1,990.40  
2,196.80  
2,025.60  
1,505.60  
1,648.00  
2,851.20  
<1,009.24>  
1,642.50  
42,464.90

LINE A 104,936.80  
LINE F 54,452.67  
LINE M 85,483.13

2,122.00  
2,216.90  
2,319.80  
2,401.00  
3,022.60  
<46000>  
2,920.40  
3,113.60  
2,519.04  
1,773.75  
2,515.58  
20,340.00  
3,131.10  
2,567.60  
2,811.90  
54,452.67

① 8926.25  
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SMOKER MOUNTAIN SMELTERS, INC.  
1455 HARTVILLE PIKE  
KNOXVILLE TN 3792

THIS RETURN MUST BE POSTMARKED BY THE 20TH OF THE MONTH FOLLOWING THE MONTH FOR WHICH THE TAX IS DUE TO AVOID LOSS OF VENDOR'S COMPENSATION AND THE ASSESSMENT OF PENALTY AND INTEREST.

DOLLARS	CENTS
375,557	22
375,557	22
375,557	22
A RETURN MUST BE FILED EVEN THOUGH NO SALES WERE MADE OR ANY TAX DUE.	
9	83
	20
9	63

A RETURN MUST BE FILED  
EVEN THOUGH NO SALES  
WERE MADE OR ANY TAX  
DUE.

Remit amount in item 20 in a check payable to  
TENNESSEE DEPARTMENT OF REVENUE  
Mail To: Tennessee Department of Revenue  
Andrew Jackson State Office Building  
Nashville, TN 37242



**WHEN WRITING TO THIS OFFICE ALWAYS  
STATE CERTIFICATE OF REGISTRATION NUMBER**

# STATE AND LOCAL SALES AND USE TAX

## SCHEDULE A - EXEMPT TRANSACTIONS

Sales to vendors or other establishments for resale, and sales of items to be used in processing articles for sale. (A.)		
Sales of items specifically exempt by State Law. Includes: (1) Fertilizer and field and garden seed sold to farmers for (B.)		
Sales to the Federal Government, the State of Tennessee and its Political Subdivisions, and sales to qualified institu- (C.)		
Returned merchandise - items voluntarily returned by the purchaser which have been included as sales on this or (D.)		
Sales of farm machinery subject to tax at the reduced rate. IMPORTANT: Report the same amount on Line 1, Sche- (E.)		
Sales in Interstate Commerce (except motor vehicles and trailers) where the purchaser takes possession outside of (F.)	265,642	31
Cash Discounts (not trade discounts) where tax was paid on gross. (G.)		
Repossessions - enter that portion of the unpaid principal balances in excess of \$500.00 due on tangible personal (H.)		
Sales of Energy Fuel - Enter the total of all energy fuel sales not subject to the full state tax rate. IMPORTANT: Enter amount subject (I.)		
Sales of machinery specifically exempt under "Industrial Machinery" classification when authority is granted to pur- (J.)		
Sales of motor vehicles and trailers delivered out-of-state by dealers—(certificates of interstate sale must be attached). (K.)		
Other - (explain). (L.)		
Total - Enter here and on Line 6, Reverse side. (M.)	375,557	32

## SCHEDULE B - COMPUTATION OF LOCAL SALES AND USE TAX. NOTE: Use this schedule if Local Taxable Sales do not equal State Taxable Sales. (This will occur if transactions include Energy Fuel Sales, "Single Article" sales subject to a maximum local tax, or other items requiring an adjustment for local tax - See Separate Instructions.)

Enter net taxable total - State - Enter from Line 7, Reverse side. (1.)		
Adjustments (see lines D and H of Schedule A above and/or additional instructions.) (2.)		
Total - Add Lines 1 and 2. (3.)		
4. Enter all amounts in excess of the single article tax base shown on Line 9 on the front of the (4.)		
5. Energy Fuel Sales - Enter all energy fuel sales taxed at the full state rate. Do not include sales (5.)		
6. Other - (explain). (6.)		
7. Total deductions - Add Lines 4, 5, and 6. (7.)	00,000	00
Net taxable total - Local - Subtract Line 7 from Line 3. (8.)		
Local sales and use tax - Line 8 Multiplied by Local Tax Rate - Enter here and on Line 9, Reverse side. (9.)		

## SCHEDULE C - INDUSTRIAL TRANSACTIONS SUBJECT TO TAXATION

For use by Manufacturers and Processors who have been authorized to make purchases without payment of tax and to pay tax due direct to the Department of Revenue. Also, Dealers in Farm Machinery or Water.

STATE COMPUTATION		COLUMN A TAX	COLUMN B TAX
INDUSTRIAL MACHINERY: AUTHORIZATION NO. _____ OR FARM MACHINERY. (1.)		1,966	
STATE TAX: NOTE: Do not enter tax in Column B for reporting periods after June, 1983. Sales of Farm (2.)			
WATER (3.)	00,000		
STATE TAX - 1% of LINE 3 (4.)	00,000		
ENERGY FUELS - Enter all sales subject to the industrial and residential state tax rate. See Line I, Schedule A (5.)			
STATE TAX - 1 1/2% of LINE 5 (6.)			
Add Lines 4 and 6. Enter Total here and on Line 11, Reverse Side (6A.)			

## COMPUTATION - Complete this section only if transactions are subject to local tax.

Enter the purchase or sales price of Industrial or Farm Machinery for which local tax is due. IMPORTANT: Enter \$1,500.00 on each single article sale or purcha- (7.)		
Enter that amount for each single article. (8.)		
Enter lines 7 and 8. (9.)	1,966	00
(If local tax rate is 1% or less multiply line 9 by 1/2 of 1%) (10.)	9	81

SALES TAX APRIL MAY JUNE 1982

Prepared By  
Approved By

43

APRIL

MAY

4803 (84803) — Buff  
8803 (88803) — Green

SALES TN		TN SALES		INTERSTATE SALES		INTERSTATE SALES	
1	2	3	4	5	6	7	8
1	1,421.62	JUNE 1,365.00	APRIL	8951.23	JUNE	2325.75	
2	1,818.00	2,985.60		3456.60		2130.10	
3	1,836.80	12,474.72		2380.00		1857084	
4	2,481.60	2,278.40		2179.10		303870	
5	3,521.60	2,815.60		1889800		244260	
6	1,889.60	841.84		7536.57		295330	
7	997.50	1,600.00		2405.16		216300	
8	1,846.40	2,193.60		209700		210266	
9	705.00	1,344.00		1930.60		53985	
10	835.20	1,464.00		1992.00		240350	
11	1,795.20	1,414.58		1734.00		262010	
12	2,921.60	637.50		291340		263270	
13	1,771.50	2,528.00		2583.00		1947771	
14	812.25	1,690.50		22820.00		5738.22	
15	1,713.00	45.00		7056.00		691398	
16	25,426.87	1,566.40		1523.25			
17		2,185.60		79660			
18	3,705.00	1,980.80		10743.13			
19	2,097.60	1,670.40		10181564			
20	1,633.40	2,168.40					
21	2,579.20	3,638.46	MAY	1697210			
22	1,385.60	742.00		2856.00			
23	2,778.40	1,587.00		2513.00			
24	1,342.20	51,132.32		851.00			
25	2,753.60	(A)		264320			
26	1,323.44	LINE A 10994.91		1771600			
27	1,292.80	LINE F 26564231		5690			
28	1,048.00	LINE M 375,557.22		259280			
29	5,190.40			250810			
30	2,713.13			274120			
31	442.50	BROWNING BELT 231.61		239540			
32	1,634.25	KELSO 906.39		137250			
33	1,180.50	KNOX BOLT 21.60		71115		(E) 1966.76	
34	3,250.50	VIKING EQUIP 805.00		208880		(D) 1966.76	
35	33,355.72	KNOX BOLT 2.16		216020		(9) 1966.76	
36		1966.76		213360		(10) 9.83	
37		X .005		21975.79			
38		9.83		272070			
39				9462764			
40							

STATE AND LOCAL SALES AND USE TAX RETURN  
STATE OF REGISTRATION NUMBER

38503

2-621075710-001-3

SMOKEY MOUNTAIN SMELTERS, INC.  
1455 MARYVILLE PIKE  
KNOXVILLE TN 37920

SALES PERIOD COVERED  
\* THIRD QT 1985 \*

0003532

EXAMPLE

PLEASE WRITE YOUR NUMBERS LIKE THIS

1 2 3 4 5 6 7 8 9 0

THIS RETURN MUST BE POSTMARKED BY THE 20TH OF THE MONTH FOLLOWING THE MONTH FOR WHICH THE TAX IS DUE TO AVOID LOSS OF VENDORS COMPENSATION AND THE ASSESSMENT OF PENALTY AND INTEREST.

		ENTER DOLLAR AMOUNTS ONLY		
		DOLLARS		CENTS
1. GROSS SALES AND/OR RENTAL PROCEEDS	(1)	2	47	712
2. ADD COST OF PERSONAL PROPERTY PURCHASED ON A RESALE CERTIFICATE BY YOU, INCLUDING GIFTS AND PREMIUMS	(2)			
3. ADD COST OF OUT OF STATE PURCHASES AND PROPERTY IMPORTED INTO TENNESSEE FOR YOUR USE	(3)			
4. FAIR MARKET VALUE OF TANGIBLE PERSONAL PROPERTY FABRICATED, PRODUCED, COMPOUNDED, OR SEVERED FROM THE EARTH FOR USE IN THE STATE OF TENNESSEE	(4)			
5. EXEMPT TRANSACTIONS—Must be itemized on Schedule A, Reverse Side	(5)	2	47	712
6. NET TAXABLE TOTALS—STATE—Subtract line 5 from line 1	(6)	2	47	712
7. STATE TAX—5.50 % of line 6	(7)			0
8. LOCAL TAX—1.50 % of line 6	(8)			
9. YOUR SINGLE ARTICLE TAX BASE IS 1100.00 SEE SCHEDULE B, REVERSE SIDE, IF LOCAL TAXABLE SALES DO NOT EQUAL STATE TAXABLE SALES	(9)			
10. ENTER ANY TAX COLLECTED IN EXCESS OF STATE AND LOCAL LEVIES	(10)			
11. STATE TAX ON TRANSACTIONS SUBJECT TO REDUCED RATES. ENTER TOTAL TAX FROM LINE 6A, SCHEDULE C, REVERSE SIDE	(11)			
12. LOCAL TAX ON TRANSACTIONS SUBJECT TO THE REDUCED RATE OF TAX. ENTER TOTAL TAX FROM LINE 10, SCHEDULE C, REVERSE SIDE	(12)			
13. TOTAL TAX—Add lines 7, 8, 10, 11, and 12	(13)			
14. SPECIFIC PENALTY: If filed LATE, add 5% of line 13 for each 1 to 30 DAY PERIOD for which TAX IS DELINQUENT. (Total penalty NOT TO EXCEED 25% of line 13. Minimum penalty of \$5.00 regardless of the amount of tax due or whether there is any tax due.)	(14)			
15. INTEREST—If filed LATE, add 14.50 % per annum of line 13 from the DATE DELINQUENT UNTIL PAID.	(15)			
16. VENDORS' COMPENSATION: 2.00 % of the total tax of \$ 2500.00 of the TOTAL TAX (Line 13) 1.15 % of the amount in excess of \$ 2500.00 of the total tax (Line 13)	(16)			
17. TOTAL TAX AND PENALTY AND INTEREST	(17)			
18. ADD DEBIT MEMO	(18)			
19. CREDIT MEMO	(19)			
20. AMOUNT PAID WITH THIS RETURN	(20)			

Remit amount by item 20 in a check payable to  
TENNESSEE DEPARTMENT OF REVENUE

WHEN WRITING TO THIS OFFICE  
STATE CERTIFICATE OF REGISTRATION



# **SCHEDULE A - EXEMPT TRANSACTIONS**

A. Sales made to vendors or other establishments for resale, and sales of items to be used in processing articles for sale. (Certificates of Resale must be retained by the Dealer.)	(A)	6 5 2 7 2	00 100
B. Sales of items specifically exempt by State Law, Includes: (1) Fertilizer and field and garden seed sold to farmers for farm purposes; (2) Gasoline; (3) Livestock and poultry feeds; (4) Prescription drugs.	(B)		00 100
C. Sales to the Federal Government, the State of Tennessee and its Political Subdivisions, and sales to qualified institutions such as Churches, Non-Profit Schools, Hospitals, Homes for the Aged, and Orphanages.	(C)		00 100
D. Returned merchandise - items voluntarily returned by the purchaser which have been included as sales on this or a previous return. Show on Line 2, Schedule B any amount claimed on Line 4, Schedule B of prior returns.	(D)		00 100
E. Sales of farm machinery subject to tax at the reduced rate. <b>IMPORTANT:</b> Report the same amount (E) on Line 1, Schedule C, below and the appropriate amount on Line 7, Schedule C.	(E)		00 100
F. Sales in Interstate Commerce (except motor vehicles and trailers) where the purchaser takes possession outside of Tennessee for use or consumption outside of Tennessee.	(F)	1 8 2 4 4 0	00 100
G. Cash Discounts (not trade discounts) where tax was paid on gross.	(G)		00 100
H. Repossessions - enter that portion of the unpaid principal balances in excess of \$500.00 due on tangible personal property repossessed from customers. Report the same amount on Line 2 of Schedule B.	(H)		00 100
I. Sales of Energy Fuel - Enter the total of all energy fuel sales not subject to the full state tax rate. <b>IMPORTANT:</b> Enter amount subject to reduced state tax on Line 5 of Schedule C.	(I)		00 100
J. Sales of machinery specifically exempt under "Industrial Machinery" classification when authority is granted to purchaser by the Department of Revenue.	(J)		00 100
K. Sales of motor vehicles and trailers delivered out-of-state by dealers—(certificates of interstate sale must be attached).	(K)		00 100
L. Other - (explain).	(L)		00 100
M. TOTAL - ENTER HERE AND ON LINE 6, REVERSE SIDE:	(M)	247,712	

**SCHEDULE B - COMPUTATION OF LOCAL SALES AND USE TAX.** NOTE: Use this schedule if Local Taxable Sales do not equal State Taxable Sales. (This will occur if transactions include Energy Fuel Sales, "Single Article" subject to 4% merchant local tax, or other items requiring an adjustment for local tax. See appropriate instructions.)

1. Enter net taxable total - State - Enter from Line 7, Reverse side.	(1)		
2. Adjustments (see lines D and H of Schedule A above and/or additional instructions).	(2)		00 100
3. Total - Add Lines 1 and 2.	(3)		00 100
4. Enter all amounts in excess of the single article tax base shown on Line 9 on the front of the return on each single article sold or purchased which has been reported, but not deducted elsewhere on the return.	(4)		00 100
5. Energy Fuel Sales - Enter all energy fuel sales taxed at the full state rate. Do not include sales subject to the reduced rate. See Line I of Schedule A and Line 5 of Schedule C.	(5)		00 100
6. Other - (explain).	(6)		00 100
7. Total deductions - Add Lines 4, 5, and 6.	(7)		00 100
8. Net taxable total - Local - Subtract Line 7 from Line 3.	(8)		00 100
9. Local sales and use tax - Line 8 Multiplied by Local Tax Rate - Enter here and on Line 9, Reverse Side.	(9)		

**SCHEDULE C - INDUSTRIAL TRANSACTIONS SUBJECT TO TAXATION** For use by Manufacturers and Processors who have been authorized to make purchases without payment of tax and to pay tax due direct to the Department of Revenue. Also, Dealers in Machinery or Water.

**STATE COMPUTATION**

1. INDUSTRIAL MACHINERY: AUTHORIZATION NO. OF FARM MACHINERY.	(1)	11 1 9	
2. STATE TAX: NOTE: Do not enter tax in Column B for reporting periods after June, 1983. Sales of Farm Equipment or purchases of Industrial Equipment must be reported in Column A even though no tax is due.	(2)		00 100
3. WATER - Enter all sales or purchases of water subject to the industrial tax rate. <b>IMPORTANT:</b> Enter appropriate amount on Line 8 of Schedule C.	(3)		00 100
4. 1% of Line 3	(4)		00 100
5. ENERGY FUELS - Energy Fuel Sales - Enter all sales subject to the (5) commercial and residential state tax rate. See Line 5, Schedule A and Line 5, Schedule B.	(5)		00 100
6. STATE TAX - 1 1/2% of Line 5.	(6)		00 100
A. TOTAL (Add Lines 4 and 6. Enter Total here and on Line 11, Reverse side.)	(A)		

**LOCAL COMPUTATION - Complete this section only if transactions are subject to local tax.**

7. MACHINERY: Enter the purchase price of Industrial or Farm Machinery for which local tax is due. **IMPORTANT:** Enter \$1,500.00 on each single article sale or purchase in local tax base area of \$375.00, \$375.00, \$428.57 or \$500.00 as indicated on Line 9 on the front of the return. If the local tax base is \$667.00, \$889.00 or \$1,100.00, enter that amount for each single article.

8. WATER - Enter amount of water sales or purchases on Line 3 of Schedule C that is subject to local tax.

9. TOTAL

11 4 9 2

# STATE AND LOCAL SALES AND USE TAX RETURN

STATE OF TENNESSEE

38504

2-621075710-001-3

46

SMOKEY MOUNTAIN SMELTERS, INC.  
1455 MARYVILLE PIKE  
KNOXVILLE TN 37920

SALES PERIOD COVERED  
\* FOURTH QT 1985 \*

0038380

## EXAMPLE

PLEASE WRITE YOUR NUMBERS LIKE THIS

1 2 3 4 5 6 7 8 9 0

THIS RETURN MUST BE POSTMARKED BY THE 20TH OF THE MONTH FOLLOWING THE MONTH FOR WHICH THE TAX IS DUE TO AVOID LOSS OF VENDORS COMPENSATION AND THE ASSESSMENT OF PENALTY AND INTEREST.

		ENTER DOLLAR AMOUNTS ONLY	CENTS
		DOLLARS	
1. GROSS SALES AND/OR RENTAL PROCEEDS..... (1)		3 3 7 4 0 4	00/100
2. ADD COST OF PERSONAL PROPERTY PURCHASED ON A RESALE CERTIFICATE BUYED BY YOU, INCLUDING GIFTS AND PREMIUMS..... (2)			00/100
3. ADD COST OF OUT OF STATE PURCHASES AND PROPERTY IMPORTED INTO TENNESSEE FOR YOUR USE..... (3)			00/100
4. FAIR MARKET VALUE OF TANGIBLE PERSONAL PROPERTY FABRICATED, PRODUCED, COMPOUNDED, OR SEVERED FROM THE EARTH FOR USE IN THE STATE OF TENNESSEE..... (4)			00/100
<b>TAX COPIERS</b>			
6. EXEMPT TRANSACTIONS—Must be itemized on Schedule A, Reverse Side..... (6)		3 3 7 4 0 4	00/100
7. NET TAXABLE TOTAL—STATE—Subtract line 6 from line 5..... (7)		3 3 7 4 0 4	00/100
8. STATE TAX—5.50 % of line 7..... (8)			00/100
9. LOCAL TAX—1.50 % of line 7..... (9)	YOUR SINGLE ARTICLE TAX BASE IS 1100.00 SEE SCHEDULE B, REVERSE SIDE, IF LOCAL TAXABLE SALES DO NOT EQUAL STATE TAXABLE SALES		00/100
<div style="border: 1px solid black; padding: 5px; width: fit-content;"> <p>A RETURN MUST BE FILED EVEN THOUGH NO SALES WERE MADE OR ANY TAX DUE.</p> </div>			
10. ENTER ANY TAX COLLECTED IN EXCESS OF STATE AND LOCAL LEVIES..... (10)			00/100
11. STATE TAX ON TRANSACTIONS SUBJECT TO REDUCED RATES. ENTER TOTAL TAX FROM LINE 6A, SCHEDULE C, REVERSE SIDE..... (11)			00/100
12. LOCAL TAX ON TRANSACTIONS SUBJECT TO THE REDUCED RATE OF TAX. ENTER TOTAL TAX FROM LINE 10, SCHEDULE C, REVERSE SIDE..... (12)			00/100
14. SPECIFIC PENALTY: If filed LATE, add 5% of line 13 for each 1 to 30 DAY PERIOD for which TAX IS DELINQUENT. (Total penalty NOT TO EXCEED 25% of line 13.) Minimum penalty of \$3.00 regardless of the amount of tax due or whether there is any tax due..... (14)			00/100
15. INTEREST—If filed LATE, add 14.50 % per annum of line 13 from the DATE DELINQUENT UNTIL PAID... (15)			00/100
16. VENDOR'S COMPENSATION Deduct 2.00 % of the first \$ 2500.00 of the TOTAL TAX (Line 13) and 1.15 % of the amount in excess of \$ 2500.00 of the total tax (Line 13). Deduct the combined total of these amounts from the total tax if payments are timely filed..... (16)			00/100

003380

47

## EXEMPT TRANSACTIONS

establishments for resale, and sales of items to be used in pi (A)  
of Resale must be retained by the Dealer.)

exempt by State Law, Includes: (1) Fertilizer and field and garden (B)  
purposes; (2) Gasoline; (3) Livestock and poultry feeds; (4) Prescription drugs

Government, the State of Tennessee and its Political Subdivisions, and sales to (C)  
persons such as Churches, Non-Profit Schools, Hospitals, Homes for the Aged, and

merchandise - items voluntarily returned by the purchaser which have been included as (D)  
this or a previous return. Show on Line 2, Schedule B any amount claimed on Line 4, Schedule  
for returns.

of farm machinery subject to tax at the reduced rate. **IMPORTANT:** Report the same amount (E)  
on Line 1, Schedule C, below and the appropriate amount on Line 7, Schedule C.

Sales in Interstate Commerce (except motor vehicles and trailers) where the purchaser takes possession (F)  
outside of Tennessee for use or consumption outside of Tennessee.

Cash Discounts (not trade discounts) where tax was paid on gross. (G)

Repossessions - enter that portion of the unpaid principal balances in excess of \$500.00 due on tangible (H)  
personal property repossessed from customers. Report the same amount on Line 2 of Schedule B.

Sales of Energy Fuel - Enter the total of all energy fuel sales not subject to the full state tax rate. (I)  
**IMPORTANT:** Enter amount subject to reduced state tax on Line 5 of Schedule C.

Sales of machinery specifically exempt under "Industrial Machinery" classification when authority is (J)  
granted to purchaser by the Department of Revenue.

Sales of motor vehicles and trailers delivered out-of-state by dealers - (certificates of Interstate sale (K)  
must be attached).

Other - (explain). (L)

M. TOTAL - ENTER HERE AND ON LINE 6, REVERSE SIDE. (M)

337,404

**SCHEDULE B - COMPUTATION OF LOCAL SALES AND USE TAX.** NOTE: Use this schedule if Local Taxable Sales do not equal State Taxable Sales. (This will occur if transactions  
include Energy Fuel Sales, "Single Article" subject to a maximum local tax, or other items requiring an adjustment for local tax. See Separate Instructions.)

1. Enter net taxable total - State - Enter from Line 7, Reverse side. (1)

2. Adjustments (see lines D and H of Schedule A above and/or additional instructions). (2)

3. Total - Add Lines 1 and 2. (3)

4. Enter all amounts in excess of the single article tax base shown on Line (4)  
9 on the front of the return on each single article sold or purchased  
which has been reported, but not deducted elsewhere on the return.

5. Energy Fuel Sales - Enter all energy fuel sales taxed at the full state (5)  
rate. Do not include sales subject to the reduced rate. See Line I of  
Schedule A and Line 5 of Schedule C.

6. Other - (explain). (6)

7. Total deductions - Add Lines 4, 5, and 6. (7)

8. Net taxable total - Local - Subtract Line 7 from Line 3. (8)

9. Local sales and use tax - Line 8 Multiplied by Local Tax Rate - Enter here and on Line 9, Reverse side. (9)

**SCHEDULE C - INDUSTRIAL TRANSACTIONS  
SUBJECT TO TAXATION**

For use by Manufacturers and Processors who have been authorized to make purchases without payment of tax and to  
pay tax due direct to the Department of Revenue. Also, Dealers in Farm Machinery or Water.

## STATE COMPUTATION

## COLUMN A TAX BASE

INDUSTRIAL MACHINERY: AUTHORIZATION NO. 0073979 (1)

INDUSTRIAL MACHINERY: PERMANENT # M0002124

1 4 7 2

STATE TAX: NOTE: Do not enter tax in Column B for reporting (2)  
periods after June 1983. Sales of Farm Equipment or purchases of Industrial Equipment must be  
reported in Column A even though no tax is due.

3. WATER - Enter all sales or purchases of water (3)  
subject to the industrial tax rate.  
**IMPORTANT:** Enter appropriate amount  
on line 8 of Schedule C.

4. STATE TAX - 1% of Line 3 (4)

# SALES TAP JULY - AUG - SEPT. 1985

49

Prepared By  
Approved By

4806 (88806) - Buff  
8806 (88806) - Green

	1	2	3	4	5	6
	JULY	AUG	SEPT	JULY	AUG	SEPT
	SALES TN.	SALES TN.	SALES TN.	INTERSTATE	INTERSTATE	INTERSTATE
1	3,172.80	5,558.00	1,732.50	1,074.01	4,110.00	2,574.00
2	3,784.00	1,233.50	4,465.00	1,630.44	1,762.34	2,823.80
3	5,956.00	1,405.92	4,782.00	3,186.40	3,094.02	2,116.10
4		2,334.00	4,459.44	1,500.00	2,572.12	2,373.70
5		1,596.00	5,451.20	2,557.80	2,457.04	2,924.60
6		991.26	1,846.50	2,534.00	2,805.45	2,535.40
7		3,090.00		993.00	2,876.30	2,662.80
8		2,640.00		2,375.80	2,543.10	1,699.32
9		3,903.00		5,370.00	2,749.60	3,405.90
10		1,604.82		2,770.90	1,623.31	4,072.50
11		1,952.40		3,118.50	2,340.10	2,349.90
12		1,386.39		3,224.20	1,429.50	2,575.20
13		1,783.92		4,095.00	2,973.60	1,898.40
14	5,956.80	3,257.56	2,473.24	1,232.00	6,380.88	1,070.00
15				2,781.60		
16				2,632.00		
17				1,626.00		
18	BROWN IN BELTING	3,298.83		9,540.00		
19	HELTON-COLLINS	3,862.24		2,603.44		
20	KNOX BOLT + SCREW	782.11		2,694.00		
21	KELSO OIL	4,792.71		8,601.81	6,380.88	3,261.32
22	POWER EQUIPMENT	233.97				
23	NEW PROCESS RADIATOR	32.50				
24	VIEING EQUIPMENT	2,332.47				
25	WALKERS TRUCK	3,300.00				
26		11,427.13				
27	X	1,005			① 24,771.2	
28		5,749			② -	
29					③ -	
30					④ -	
31		LINE A 6,527.160	6,527.2		⑤ 24,771.2	
32		LINE F 1,824,404	1,824,400		⑥ 24,771.2	
33		LINE M 24,772.01	24,771.2		⑦ -	
34					⑧ 57	
35					⑨ 1	
36					⑩ 56	
37					⑪ 56	
38						
39						
40						

Accounts Payable  
List of Cash Receipts

1985 49

CASH RECEIPTS JOURNAL - JCR-17

P.O. BOX 849  
RICHARDSON, TX 75080

1117 MALT AVE  
LOS ANGELES, CA 90040

P.O. BOX 426  
TUCKER, GA 30084

1220 NATIONAL AVE  
ADDISON, IL 60101

P.O. BOX 151  
LANSDALE, PA 19146

DATE	REFERENCE NUMBER	DETAIL	A DEBIT	B CREDIT ACC. REC.
BALANCE FORWARD				
3/13/85	1976 C/M		1,996 96	
3/13/85	CL			13,734 54
3/14/85	CHECK			1,249 50
3/13/85	1978 C/M REF # 1946		1,425 60	
3/13/85	1977		2,920 40	
3/14/85	1979		3,113 60	
3/15/85	C/M #655	VOID	512 36	
3/16/85	1981		1,773 75	
3/18/85	CHECK			5,098 80
3/18/85	CHECK			5,953 50
3/18/85	CHECK			3,385 20
3/15/85	1980		2,519 44	
3/17/85	1982		2,575 58	
3/19/85	1983 HSM	4/19	3,126 00	
3/21/85	CHECK			3,294 00
3/20/85	1984		2,644 80	
3/21/85	1985		1,990 40	
3/22/85	1986		2,196 80	
3/23/85	1987		2,025 60	
3/22/85	1988		1,505 60	
3/24/85	1989		1,148 00	
3/25/85	1990		2,851 20	
3/27/85	1991		21,349 28	
3/27/85	CHECK			3,293 59
3/27/85	1991 C/M	TO VOID INV #1991	12,134 28	
3/27/85	1992 C/M		1,009 84	
3/27/85	1993 HSM	4/17	1,642 50	
3/28/85	1994		20,340 00	
3/29/85	1995		3,131 10	
TOTALS THIS PAGE				
TOTALS TO DATE			91,538 07	87,623 93

50

TOTALS THIS PAGE						
TOTALS TO DATE	96917	57	87,623	93	2,350,66	68

P.O. BOX 151  
ANSOALE, PA, 19816

1270 NATION AVE  
ADDISON, IL 60101

P.O. BOX 426  
T. TUCKER, GA: 30084

6117 MALT AVE  
LOS ANGELES, CA 90003

P.O. BOX 649  
RICHARDSON, TX, 75080

PROOF:  $D - B + A = C$   
DEPOSIT-PROOF: COL. 5 + COL. 6 =



DATE	REFERENCE NUMBER	DETAIL	A DEBIT	B CREDIT ACC. REC.	C BALANCE	D MEMO PREVIOUS BALANCE	E NAME
BALANCE FORWARD →							
5/2/85	2037		16,972 10		24,277 10	37,005 03	METAL EXCH
5/2/85	2038		3,705 00		20,572 10	33,300 03	DAVID WITHERS
5/1/85	2039		2,856 00		17,716 10	30,444 03	MACON / RDN + PAF
5/2/85	2040			3,131 10	14,585 00	27,275 13	METAL EXCHAN
5/2/85	2041			3,867 60	10,717 40	23,407 73	"
5/2/85	2042			2,811 90	7,905 50	20,595 63	"
5/3/85	2040	NL	2,097 40		5,808 10	17,787 73	DAVID WITHERS
5/4/85	2041	NL	1,633 80		4,174 30	16,153 93	"
5/5/85	2042	NL	2,579 20		1,594 10	13,574 73	"
5/8/85	2043	NL	1,385 60		20 00	13,554 73	"
5/6/85	2046	NL	3,772 40		13,534 30	13,534 30	"
5/12/85	2047	NL	2,847 20		10,687 10	13,534 30	"
			2,753 00		7,934 10	10,781 30	"
			1,323 44		6,610 66	10,781 30	"
				2,579 40	4,031 26	10,781 30	METAL EXCHA
				13,763 13	17,794 39	10,781 30	"
				5,836 00	11,958 39	10,781 30	"
				1,607	10,351 39	10,781 30	"
			2,922 80		7,428 59	10,781 30	DAVID WITHERS
			1,889 60		5,538 99	10,781 30	"
				22,820 00	28,368 99	10,781 30	GENERAL ELEC
		4/24	1,048 00		27,320 99	10,781 30	DAVID WITHERS
				5,988 24	21,332 75	10,781 30	"
				1,889 60	19,443 15	10,781 30	"
5/10/85	2253		2,190 40		17,252 75	10,781 30	"
5/13/85	2254		2,513 00		14,739 75	10,781 30	METAL EXCHAN
5/10/85	2256		8,510 00		6,229 75	10,781 30	ALCOA - BAOIA
5/14/85	2257		2,643 20		3,586 55	10,781 30	METAL EXCHAN
5/14/85	2258	SDAY	17,749 97		11,136 52	10,781 30	"
TOTALS THIS PAGE			75,378 51	56,097 07	12,265 29	12,265 29	
TOTALS TO DATE							



DATE	REFERENCE NUMBER	DETAIL	A DEBIT	B CREDIT ACC. REC.	C (NEW) BALANCE	D (MEMO) PREVIOUS BALANCE	NAME
BALANCE FORWARD →			75,778 91	56,097 69	1,265,071 13	1,265,071 13	
9/26/85	2259	ADD TO INV #2035	56 90		49,750 77	49,750 77	METAL EXCHANGE
5/16/85	2260		2,592 80		52,343 57	49,750 77	"
5/16/85	2261		8,508 10		52,343 57	52,343 57	"
5/17/85	check			16,972 10	35,371 57	52,343 57	"
9/20/85	check			1,930 60	36,148 17	35,371 57	"
5/20/85	check			1,792 00	34,356 17	36,148 17	"
5/20/85	ck #2069919			2,097 00	1,733 17	38,311 17	ALCAN METAL
5/19/85	2262		2,741 42		35,569 75	38,311 17	METAL EXCHANGE
5/19/85	2263		2,395 40		33,174 35	35,569 75	"
5/20/85	2264	DWZ	2,713 13		30,461 22	33,174 35	DAVID WITHERS
5/21/85	2052	DWZ	442 50		29,918 72	30,461 22	DAVID WITHERS
5/20/85	2053		1,234 25		28,684 47	29,918 72	RIMMER BROS.
5/21/85	check			1,634 25	27,050 22	28,684 47	"
5/21/85	check			2,383 40	24,666 82	27,050 22	METAL EXCHANGE
5/21/85	check			1,716 00	22,950 82	24,666 82	"
5/21/85	check		3,180 50		19,769 32	22,950 82	DAVID WITHERSPO.
5/21/85	check		1,372 50		18,396 82	19,769 32	METAL EXCHAN.
5/21/85	check		711 15		17,685 67	18,396 82	THOMPSON METAL
5/21/85	check		3,250 50		14,435 17	17,685 67	DAVID WITHERS
5/21/85	check		2,088 80		12,346 37	14,435 17	METAL EXCHAN
5/21/85	check			7,056 00	5,290 37	12,346 37	ALUMINUM CO. O.
5/21/85	check			1,734 00	3,556 37	5,290 37	ALCAN. ALUMI.
5/21/85	check			2,913 40	6,469 77	3,556 37	METAL EXCHANGE
5/21/85	check #20526			24,672 79	39,041 97	6,469 77	DAVID WITHERSPO.
5/21/85	2060		2,160 20		36,881 77	39,041 97	METAL EXCHAN
5/27/85	2061		2,133 60		34,748 17	36,881 77	METAL EXCHANGE
5/30/85	2062		21,975 79		12,772 38	34,748 17	GENERAL ELECTRA
5/31/85	2063		2,720 90		10,051 48	12,772 38	METAL EXCHANGE
5/31/85	check			7,323 50	2,727 98	10,051 48	
TOTALS TO DATE			128,000 76	144,521 71	2,157,076 10	2,157,076 10	

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## CASH REC.

NAME	BANK	ACCT. NO.	139	140	ACCT. NO.	MISC. CREDIT
5/2 METAL EXCHANGE	3,131.10			3,131.10	✓	
5/3 " "	2,567.60			2,567.60	✓	
" "	2,811.90			2,811.90	✓	
FIRST STATE INS CO.	11,075.97			2,179.10	✓	11,075.97
5/9 METAL EXCHANGE	2,179.10					
5/10 METAL EXCHANGE	10,763.13			10,763.13	✓	
" "	5,836.00			5,836.00	✓	
5/14 GENERAL ELECTRIC	22,820.00			22,820.00	✓	
5/14 DAVID WITHERSPON	5,988.24			5,988.24	✓	
5/20 ALCAN	2,097.00			2,097.00	✓	
METAL EXCHANGE	1,930.60			1,930.60	✓	
METAL EXCHANGE	1,792.00			1,792.00	✓	
5/17 METAL EXCHANGE	16,972.10			16,972.10	✓	
5/22 RIMMER BROS	1,634.25			1,634.25	✓	

NAME OF BANK

DATE MAY 1985

PAGE NO. 1

NAME	ACCT. NO.	MISC. CREDITS	139	140	ACCT. NO.	MISC. CREDIT

9/22 METAL EXCHANGE	17,716.00
---------------------	-----------

METAL EXCHANGE	2583.00	2583.00
----------------	---------	---------

5/28 ALCOA	7,056.00	✓
------------	----------	---

ALCAN		1,734.00
-------	--	----------

METAL EXCHANGE	13.40	291340
----------------	-------	--------

5/29	DAVID WITHERSPON	24,672.79	✓
------	------------------	-----------	---

5/31	DAVID WITHERSPOON					7,323.50	V
------	-------------------	--	--	--	--	----------	---

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NAME OF BANK

DATE MAY 1985

PAGE NO. 2

		A. REGULAR EARNINGS	B. OVER TIME	C.	D. TOT	E.	F.	G.	H.	I.	J.	K.	L.	M.	N.	O.	P.	Q.	R.	S.	T.	U.	V.	W.	X.	Y.	Z.
		850.00			850.00	150.00																					
		350.00			350.00	40.00	24.67		1.95																		
		380.00			380.00	60.00	24.68		2.35																		
40	30	300.00	26.22		226.22	140.00	15.95	.31	4.35																		
40	30	250.00	28.57		221.43	230.00	12.54	.31	2.30																		
40	20	250.00	61.40		288.40	370.00	20.13	.31	1.45																		
40	5	150.00	5.73		144.27	210.00	13.11	.31																			
16	24	114.75			114.75	130.00	10.20	.31																			
40	20	160.00			160.00	110.00	11.42	.31																			
40	40	710.00	4.00		706.00	160.00	11.56	.31	1.48																		
40	20	180.00	15.22		337.50	410.00	23.79	2.38																			
40	20	110.00	4.00		114.00	170.00	11.56	.31																			
40	20	400.00			400.00	360.00	24.20	.31																			
40	20	500.00	44.00		356.00	470.00	25.66																				
40	20	100.00	3.55		103.55	60.00	11.42																				
40	20	100.00			151.77	150.00	10.71																				
40	20	100.00			165.00	140.00	11.63																				
40	20	100.00			270.00	140.00	15.51																				

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 JOHN A. JOHNSON  
 JIM THOMPSON  
 FRED GUSSELL  
 BARBARA WARD  
 BOY WATMAN  
 HAROLD WILSON  
 THOMAS EDWARDS  
 STEPHEN M. DUNNELL  
 SEWELL N. MURPHY  
 DORIS WARD  
 RHEA FLETCHER  
 ALLEN ARMES  
 DON LAMPERT  
 JAMES MC CARTER  
 MARSHALL WATMAN  
 RAYMOND SEAMAN  
 DON STANFITT

ACCOUNT PAYABLE MAY 31, 1985

1985 56

Prepared By	Initials	Date
Approved By		

	MAY CURRENT	APRIL	MARCH	PRIOR	BALANCE
WELDERS	10560		31720	45020	87300
REUFF OFFICE SUP	615				615
MEY CAN LIME STONE			42766		42766
ARK <sup>HUNTER</sup> <sub>DOUGLAS</sub>	96000				96000
JKS AUTO PARTS	69032				69032
BROWNING-BELTM	3811				3811
SARGILL SALT				344186	344186
CON LINDENBAUM	1823716				1823716
CONCRETE TRANSPORT				340000	340000
COPY SYSTEMS				11716	11716
DYNA SYSTEMS	52934	94290	51158		178382
ELECTRIC SUPPLY	4362				4362
HELEMAN COLLINS	5015		25742		30757
KEL-SAN PRODUCTS	15837		7544		23381
KNOX-TECH. RENTAL	11455				11455
KELSO OIL	108381				108381
TRIM-LINE (MISC)				5500	5500
AUTO INNOV COLOR MISC			19666		19666
BROADWAY ELECT (MISC)	3150		24943		28093
VOLUNTEER WIRE MISC		4446			4446
ATISCO SAFETY MISC	31334				31334
CONTRACT. HOTLINE MISC	21600				21600
JRC CORP (MISC)	4500				4500
NW ELEC. SERVICE MISC	7400				7400
TENNANT CO. (MISC)	123775				123775
HERY SPECIAL <sup>MISC</sup> <sub>HAULING</sub>			88000		88000
M. C. BETTER	10448				10448
MG INDUSTRIES	102850				102850
MANTLE K	69554				69554
MORTON SALT	466890				466890
OFFICE SUP. & EQUIP	8821				8821
PUGH & CO.					61528
SAFETY-KLEEN	8828				8828
SCALE RECONDITIONING					15782
TECH. ARMATURE					14359
VIRING EQUIP					
WALLACE SUPPLY	66550				66550
WALKERS TRUCKS	120000				120000
WITTY BUILDING	98143				98143
DAVID WILKERSON	81490				81490
	341575	199661	37544		

1985 Box 25

DATE	REFERENCE NUMBER	DETAIL	A DEBIT	B CREDIT ACC. REC.	C (ME. NEW BALANCE	D (MEMO) PREVIOUS BALANCE	NAME
BALANCE FORWARD →							
1/1/85	CHECK			2,623 50	0	2,623 50	THOMPSON METAL S
2/8/85	CHECK			2,130 10	45,318 90	47,448 90	METAL EXCHANGE
3/8/85	CHECK			853 50	44,465 40	45,318 90	" "
4/8/85	CHECK			7,014 70	37,450 70	44,465 40	" "
5/8/85	CHECK			3,038 70	34,412 00	37,450 70	" "
6/8/85	CHECK			4,543 30	29,868 70	34,412 00	DAVID WITHERSPON
7/8/85	CHECK			2,462 60	27,406 10	29,868 70	METAL EXCH
8/8/85	CHECK		10,744 01		16,662 10	27,406 10	METAL
9/8/85	CHECK		16,304 46		0	16,662 10	" "
10/8/85	CHECK		3,186 40		0	0	" "
11/8/85	CHECK		150 00		0	0	" "
12/8/85	CHECK				0	0	" "
1/1/86	CHECK				0	0	" "



REFERENCE NUMBER		DETAIL	A BIT		B CREDIT ACC. REC.		C (MEMO) NEW BALANCE		D MOI VIOUS LANCE		NAME
BALANCE FORWARD →			6,403	80	2,918	36	11,321	44	11,321	44	
25/85	2137		2,791	60			4,530	84	4,530	84	METAL EXCHANGE
25/85	2138		2,632	00			4,872	84	4,872	84	METAL EXCHANGE
1/85	CHECKS				5,252	80	7,344	64	7,344	64	METAL EXCHANGE
	CHECK				4,990	50	5,654	62	5,654	62	DAVID WITHERSPOON
	2140		2,784	00			4,870	62	4,870	62	
	41		1,626	00			4,604	62	4,604	62	METAL EXCHANGE
	2		9,040	00			9,040	00	9,040	00	ALCOA-BAL
			3,603	44			11,643	44	11,643	44	METAL
			2,094	00			2,094	00	2,094	00	ALCOA

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SMS

COMPANY  
CASH RECEIPTS

NAME	BANK	ACCT. NO.	MISC. DEBITS	ACCT. NO.	MISC. CREDITS
9/1 METAL EXCHANGE	5,928.30		5,928.30 ✓		
NORFOLK SOUTHERN	5547.64			# 605	5,547.64 ✓
7 DAVID WITHERSPOON	18,702.80		14,332.36 ✓	+ 410	4,365.44
17 POINT COMFORT VENTURE	17,182.00		17,182.00 ✓		
10 MANDEL METALS	7,241.60		7,241.60 ✓		
9/12 FIRST STATE INS. CO	2,759.00				2,759.00
9/17 METAL EXCHANGE	2,985.00		2,985.00 ✓		
9/20 CNA INSURANCE	21.74			610.017	21.74 ✓
POINT COMFORT VENTURE	9,667.68		9,667.68 ✓		
9/21 UNION PLANTERS BANK	9,500.00			TRUCKS LOAN	9,500.00
	79,535.76				

NAME OF BANK FIRST TENNESSEE

DATE SEPTEMBER

PAGE NO. 1

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SMS

COMPANY  
CASH RECEIPTS

NAME	BANK	ACCT. NO.	MISC. DEBITS	ACCT. NO.	MISC. CRED.
10/1 Metal Exchange	2,925.75			2,925.75 ✓	
Point Comfort	11,337.28			11,337.28 ✓	
10/9 G E	13,428.00			13,428.00 ✓	
David W. Thompson	20,752.83			18,811.20 ✓	410 1941.63 ✓
10/11 Metal Exchange	17,050.00			17,050.00 ✓	
10/15 METAL EXCHANGE	1206.00			1206.00 ✓	
RIMMER BROS	1,476.00			1,476.00 ✓	
10/22 CNA INS	21.00				610.07 21.00 ✓
GEN. ELECTRIC	20,987.10			20,987.10 ✓	
METAL EXCHANGE	3,340.50			3,340.50 ✓	
10/22 FIREMANS FUND INS	965.77				872 965.77 ✓
10/27 FIREMANS FUND INS	1,931.72				872 1,931.72 ✓
TOTAL	95,421.95			90,566.83	4,860.12

NAME OF BANK First Tenn

DATE

October 1984

PAGE NO.

SMS

COMPANY

## CASH RECEIPTS

NAME	BANK	ACCT. NO.	MISC. DEBITS	139	140	ACCT. NO.	MISC. CREDI
8/1 DAVID WITHERSPOON	15,745.04				15,745.04		
8/7 " "	5,336.00				5,336.00		
" "	9,488.20				9,488.20		
8/8 METAL EXCHANGE	3,186.40				3,186.40		
8/9 " "	2,557.80				2,557.80		
DAVID WITHERSPOON	15,354.52				15,354.52		
8/12 METAL EXCHANGE	2,534.00				2,534.00		
ALCOA	2,403.50				2,403.50		
DAVID WITHERSPOON	3,172.80				3,172.80		
8/19 METAL EXCHANGE	2,790.90				2,790.90		
" "	3,118.50				3,118.50		
7/20 METAL EXCHANGE	10,062.00				10,062.00		
8/19 DAN JOHNSON	500.00						144.001 500.00 ✓

NAME OF BANK

1<sup>ST</sup> TN

DATE AUGUST 1985

PAGE NO.

1

SMS

COMPANY

## CASH RECEIPTS

NAME	BANK	ACCT. NO.	MISC. DEBITS	139	140	ACCT. NO.	MISC. CREDI
8/21 METAL EXCHANGE	17,623.54				17,623.54	✓	
8/26 METAL EXCHANGE	4,095.00				4,095.00	✓	
ALCAN	4,110.00				4,110.00	✓	
8/27 GE	8,627.30				8,627.30		
8/28 METAL EXCHANGE	12,320.00				12,320.00		
8/28 OWI	1,694.10				1,694.10	✓	
DAN JOHNSON (CASH)		500.00		TOTAL	124,219.60		500.00
		124,919.60					

NAME OF BANK

1ST TN

DATE

8/31/85

PAGE NO.

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THRU - B  
 VIKING EQUIP 1,351.20 ✓  
 VETERANS STEEL 202.50 ✓  
 A-WELDERS 770.60 ✓

John Cuzco 13,577.00 pd BY JOHN CRUZE CO.

~~750.00~~ ~~254.40~~

M.P. Battery 636.29 ✓

~~NEW PROCESS RADIATOR 111.17~~

A WELDERS 207.20 ✓

KELSO - 161.40 ✓

POWER EQUIP 939.40 ✓

TRI-COUNTY READY MIX 2,340.00 ✓

VIKING EQUIP 697.41 ✓

NEW PROCESS RADIATOR 111.17 ✓

A WELDERS 449.80 ✓

VIKING EQUIPMENT 859.28 ✓

8,926.25  
 x .005  
 44.63

A WELDERS	1,622.60
VIKING EQUIP	2,907.87
VETERANS STEEL	202.50
M.P. BATTERY	636.29
KELSO OIL	161.40
POWER EQUIP	939.40
TRI-COUNTY	2,340.00
NEW PROCESS RADIATOR	111.17
	<hr/>
	8,926.25

- ① 249,761.03
- ⑤ 249,761.03
- ⑥ 249,761.03
- ⑦ NONE
- ⑫ 44.63
- ⑬ 44.63
- ⑭ 44.63
- ⑮ 44.63

SMOKEY MOUNTAIN SMELTERS, INC.

Knoxville, Tennessee

FINANCIAL STATEMENTS

January 31, 1985 and 1984

Financial Statement  
- Income TAX Return  
of Misc  
Legal Doc.

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PUGH & COMPANY, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS

507 S. GAY STREET

P. O. BOX 2231

KNOXVILLE, TENNESSEE 37901

615 546-9424 800 332-7021

GATLINBURG

SILVERBELL LANE

GATLINBURG, TENNESSEE 37738

615 436-4554

TRI-CITIES

4105 FORT HENRY DRIVE

KINGSPORT, TENNESSEE 37663

615 239-9113

WILL J. PUGH, CPA  
STEVE CLENDENEN, CPA  
CHARLES S. WHITE, CPA  
RONNIE G. CATE, CPA  
K. RAY PINKSTAFF, CPA  
RANDALL E. LOWE, CPA

MEMBERS  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
TENNESSEE SOCIETY OF  
CERTIFIED PUBLIC ACCOUNTANTS

March 14, 1985

Dan E. Johnson, President  
Smokey Mountain Smelters, Inc.  
Knoxville, Tennessee

We have reviewed the accompanying balance sheet of Smokey Mountain Smelters, Inc. as of January 31, 1985, and the related statements of income and retained earnings and changes in financial position for the year then ended, in accordance with standards established by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Smokey Mountain Smelters, Inc.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an examination in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles, except for the effects of recording an asset below its fair market value, as discussed in Note 4.

The financial statements for the year ended January 31, 1984, were examined by us and we expressed a qualified opinion on them in our report dated March 20, 1984, due to the effects of recording an asset below its fair market value, as discussed in Note 4, but we have not performed any auditing procedures since that date.

*Pugh & Company, P.C.*

Certified Public Accountants

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SMOKEY MOUNTAIN SMELTERS, INC.

BALANCE SHEETS

	As of January 31,	
	1985	1984
	(Unaudited)	
<b>- ASSETS -</b>		
<b>CURRENT ASSETS:</b>		
Cash	\$ 14,255	\$138,452
Receivables (Note 2):		
Trade	105,239	81,919
Affiliated and Related Companies	-0-	71,330
Officer and Employee Advances	1,030	2,173
Stock Subscription	750	750
Inventories (Note 2)	30,745	56,508
Prepaid Items	-0-	4,255
Advances to Stockholders	-0-	8,123
<b>Total Current Assets</b>	<u>152,019</u>	<u>363,510</u>
<b>PROPERTY AND EQUIPMENT (NOTES 2 AND 4):</b>		
Machinery and Equipment	329,557	185,639
Furniture and Fixtures	5,487	-0-
Leasehold Improvements	90,923	1,879
	<u>425,967</u>	<u>187,518</u>
Less Accumulated Depreciation	151,327	93,258
<b>Net Property and Equipment</b>	<u>274,640</u>	<u>94,260</u>
<b>OTHER ASSETS:</b>		
Deposits	12,344	11,034
<b>TOTAL ASSETS</b>	<u>\$439,003</u>	<u>\$468,804</u>
<b>- LIABILITIES AND STOCKHOLDER'S EQUITY -</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts Payable:		
Trade	\$127,671	\$165,280
Affiliated and Related Companies	3,463	15,842
Accrued Expenses	10,834	27,366
Note Payable - Bank (Note 3)	70,000	-0-
Current Maturities of Long-Term Debt (Note 2)	65,076	77,507
<b>Total Current Liabilities</b>	<u>277,044</u>	<u>285,995</u>
<b>LONG-TERM DEBT (NOTE 2)</b>	<u>98,535</u>	<u>-0-</u>
<b>STOCKHOLDER'S EQUITY:</b>		
Common Stock - Par Value \$1, Authorized 1,000 Shares; Issued and Outstanding 250 Shares; Subscribed 750 Shares (Note 7)	1,000	1,000
Capital in Excess of Par Value	49,750	49,750
Retained Earnings	162,674	132,059
	<u>213,424</u>	<u>182,809</u>
Less Treasury Stock, at Cost	150,000	-0-
<b>Total Stockholder's Equity</b>	<u>63,424</u>	<u>182,809</u>
<b>TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY</b>	<u>\$439,003</u>	<u>\$468,804</u>

The accompanying notes are an integral part of these financial statements.

See Accountants' Report.

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SMOKEY MOUNTAIN SMELTERS, INC.  
STATEMENTS OF INCOME AND RETAINED EARNINGS

	Year Ended January 31, 1985 (Unaudited)	1984
SALES:		
Processing	\$ 734,974	\$ 302,475
Brokerage	524,428	498,910
Metal	283,091	802,447
Freight	-0-	4,844
Miscellaneous	42,944	31,723
Total Sales	<u>1,585,437</u>	<u>1,640,399</u>
COST OF SALES	<u>1,248,503</u>	<u>1,305,928</u>
GROSS PROFIT	336,934	334,471
GENERAL AND ADMINISTRATIVE EXPENSES	<u>305,459</u>	<u>202,489</u>
INCOME BEFORE INCOME TAXES	31,475	131,982
INCOME TAXES (NOTE 5)	<u>860</u>	<u>16,675</u>
NET INCOME	30,615	115,307
RETAINED EARNINGS - BEGINNING OF YEAR	<u>132,059</u>	<u>16,752</u>
RETAINED EARNINGS - END OF YEAR	<u>\$ 162,674</u>	<u>\$ 132,059</u>

The accompanying notes are an integral part of these financial statements.

See Accountants' Report.



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SMOKEY MOUNTAIN SMELTERS, INC.

STATEMENTS OF CHANGES IN FINANCIAL POSITION

	Year Ended January 31,	
	1985	1984
	(Unaudited)	
<b>SOURCE OF FUNDS:</b>		
Net Income	\$ 30,615	\$115,307
Item Not Affecting Working Capital in the Current Year:		
Depreciation (Note 4)	58,069	33,459
Working Capital Provided From Operations	<u>88,684</u>	<u>148,766</u>
Long-Term Debt Borrowing	311,733	-0-
Disposal of Noncurrent Assets	-0-	1,971
Total	<u>400,417</u>	<u>150,737</u>
<b>APPLICATION OF FUNDS:</b>		
Purchase of Treasury Stock	150,000	-0-
Increase in Deposits	1,310	11,034
Purchase of Equipment	238,449	5,944
Reduction of Long-Term Debt	213,198	30,008
Total	<u>602,957</u>	<u>46,986</u>
<b>INCREASE (DECREASE) IN WORKING CAPITAL</b>	<u><u>\$(202,540)</u></u>	<u><u>\$103,751</u></u>
<b>THE CHANGES IN WORKING CAPITAL CONSIST OF:</b>		
Increase (Decrease) in Current Assets:		
Cash	\$ (124,197)	\$133,557
Receivables - Net	(49,153)	19,558
Inventories	(25,763)	33,496
Prepaid Items	(4,255)	(281)
Advances to Stockholders	(8,123)	5,976
Total	<u>(211,491)</u>	<u>192,306</u>
(Increase) Decrease in Current Liabilities:		
Accounts Payable - Net	49,988	(77,707)
Accrued Expenses	16,532	(9,579)
Note Payable - Bank	(70,000)	-0-
Current Maturities of Long-Term Debt	12,431	(1,269)
Total	<u>8,951</u>	<u>(88,555)</u>
<b>INCREASE (DECREASE) IN WORKING CAPITAL</b>	<u><u>\$(202,540)</u></u>	<u><u>\$103,751</u></u>

The accompanying notes are an integral part of these financial statements.

See Accountants' Report.

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SMOKEY MOUNTAIN SMELTERS, INC.

NOTES TO FINANCIAL STATEMENTS

January 31, 1985 and 1984

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES**

Significant accounting policies are as follows:

**Inventories** - Inventories, consisting primarily of ingots, are stated at cost.

**Equipment** - Equipment is recorded primarily at cost and includes expenditures for additions and major improvements. Repairs and maintenance are charged to operations as incurred. The provision for depreciation is computed using the straight-line and accelerated cost recovery system methods. See Note 4.

**Income Taxes** - Investment tax credits are taken into income as a reduction of the provision for federal income tax during the year such credits are actually realized.

**NOTE 2 - LONG-TERM DEBT**

Long-term debt consists of the following:

<u>Description</u>	<u>1985</u>	<u>1984</u>
New York prime rate plus 2% note obligation, secured by accounts receivable and inventories, due March 1, 1984	\$ -0-	\$ 50,000
Equipment purchase obligation, due in monthly installments of \$1,627, including interest at 19.01%	-0-	16,324
Equipment purchase obligation, due in monthly installments of \$764, including interest at 7.5%	-0-	6,478
Equipment purchase obligation, due in monthly installments of \$625, including interest at 17.1%	-0-	4,705
Stock purchase obligation, due in monthly installments of \$3,394, including interest at 13.5%, through May 1987	81,121	-0-
Construction obligation, due in monthly installments of \$1,222, plus interest at prime rate plus 1%, through December 1987, secured by a portable housing facility	42,778	-0-
Equipment purchase obligation, due in monthly installments of \$209, plus interest at prime rate plus 1%, through May 1987, secured by a truck	5,849	-0-
Equipment purchase obligation, due in monthly installments of \$396, plus interest at prime rate plus 1%, through September 1986, secured by three trucks	7,917	-0-
Equipment purchase obligation, due in monthly installments of \$1,074, including interest at 13.1%, through September 1985, secured by an International loader	8,183	-0-
Equipment purchase obligation, due in monthly installments of \$465, including interest at prime rate plus 1%, through February 1989, secured by an automobile	17,763	-0-
	163,611	77,507
	65,076	77,507
Less current maturities	<u>\$ 98,535</u>	<u>\$ -0-</u>

### NOTE 3 - NOTE PAYABLE - BANK

The Company has an unsecured line of credit obligation, with interest on the outstanding balance due monthly at prime plus 1%.

### NOTE 4 - EQUIPMENT

The Company has recorded a major recycling furnace, contributed by the stockholders at incorporation, at zero cost except for improvements made subsequently by the Company. This cost is substantially below the fair market value of the asset. If the correct cost of this asset was recognized, assets would be higher and net income would decrease by the depreciation expense.

### NOTE 5 - INCOME TAXES

Investment tax credits of \$6,296 and \$33,276 were used to reduce 1985 and 1984 federal income tax, respectively. Credits of \$9,932 are available for carryforward to fiscal years after January 31, 1985 and before January 31, 2000.

### NOTE 6 - LEASE COMMITMENT

The Company leases its administrative offices for a monthly rental of \$600. It leases its operating facilities from its stockholder for a monthly rental of \$7,500. Minimum future rental payments are as follows:

	Annual Rental
1986	\$ 97,200
1987	97,200
1988	92,400
1989	90,000
1990	90,000
	<u>\$466,800</u>

### NOTE 7 - COMMON STOCK

The stock subscription agreement of the Corporation required the stockholders to contribute a certain furnace as their subscription price. However, the furnace has not been transferred to Smokey Mountain Smelters, Inc., and no documents have been drawn to transfer title to Smokey Mountain Smelters, Inc. The furnace is the chief operating asset of the Corporation.

Only \$250 of common stock has been issued by the Corporation. A subscription receivable of \$750 has been recorded, in order to reflect the minimum capital requirements required by state laws.

ACCOUNTANTS' REPORT ON SUPPLEMENTARY INFORMATION

March 14, 1985

Dan E. Johnson, President  
Smokey Mountain Smelters, Inc.  
Knoxville, Tennessee

The scope of our review procedures for the fiscal year ended January 31, 1985 was limited to the basic financial statements only. The following supplementary 1985 information is presented for purposes of additional analysis and is not a required part of the basic 1985 financial statements. Such information has been subjected to the analytical procedures applied in the review of the basic 1985 financial statements. We did not become aware of any material modifications that should be made to the supplementary information except for the effects of recording an asset below its fair market value as discussed in Note 4.

Our examination for the fiscal year ended January 31, 1984 was made for the purpose of forming an opinion on the basic 1984 financial statements taken as a whole, and the supplementary 1984 information presented for that year was subjected to the auditing procedures applied in the examinations of the basic 1984 financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic 1984 financial statements taken as a whole, except for the effects of recording an asset below its fair market value as discussed in Note 4.

*Pugh & Company, P.C.*

Certified Public Accountants

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SMOKEY MOUNTAIN SMELTERS, INC.

SCHEDULES OF COST OF SALES

	Year Ended January 31,	
	1985	1984
	(Unaudited)	
Purchases	\$ 534,004	\$1,044,757
Freight	24,102	37,121
Payroll	187,762	46,516
Supplies	94,360	2,936
Repairs and Maintenance	73,907	26,968
Equipment Rent	16,304	3,160
Utilities	210,534	88,583
Expendable Tools	562	329
Depreciation	58,069	33,459
Gasoline and Diesel Fuel	11,431	8,718
Oxygen and Acetylene	4,678	602
Insurance	14,620	8,519
Payroll Taxes	17,651	4,175
Travel	519	85
<b>TOTAL COST OF SALES</b>	<b><u>\$1,248,503</u></b>	<b><u>\$1,305,928</u></b>

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SMOKEY MOUNTAIN SMELTERS, INC.

SCHEDULE OF GENERAL AND ADMINISTRATIVE EXPENSES

	Year Ended January 31,	
	1985	1984
	(Unaudited)	
Advertising	\$ 357	\$ 1,578
Automobile Rental	8,915	-0-
Director Fees	-0-	18,000
Dues	3,029	2,210
Fuel	2,418	3,715
Gain on Sale of Equipment	-0-	(4,030)
Insurance	29,798	19,901
Interest	22,379	13,876
Miscellaneous	3,643	991
Office and Postage	7,193	10,143
Other Taxes and Licenses	2,532	987
Payroll Taxes	6,395	3,279
Professional Services	14,117	5,557
Rent	82,326	60,100
Repairs and Maintenance	-0-	2,004
Salaries	88,700	44,030
Security	1,994	465
Telephone	9,161	7,327
Travel and Entertainment	22,502	12,356
<b>TOTAL GENERAL AND ADMINISTRATIVE EXPENSES</b>	<b><u>\$305,459</u></b>	<b><u>\$202,489</u></b>

	0. *
	0. *
	7,572.8 * +
	2,545.2 +
	2,003.2 +
	1,715.2 +
	2,475.2 +
	1,483.4 +
	1,899. +
	17,050. +
	1,576.5 +
	2,776. +
	3,340.5 +
	60.73 +
	540. +
	30,390. +
	4,937.6 +
	1,315.5 +
	3,920.97 +
	15,943.4 +
	1,206. +
	4,747.5 +
	3,595.75 +
	111,143.05 *
	MCAL EXC - 240.49
	ADT - 88.00
	112,849.55
	SEPT 4

80,449.23 - 4561  
 30,272.60 - 4565  
 68.73 - 4564

0. \*

0. \*

1,399.5\*+

20,987.1 +

456. +

12,912. +

1,661.25 +

804. +

3,613.5 +

3,534.75 +

3,099.2 +

1,476. +

2,755.2 +

1,435.2 +

474.75 -

2,284.5 +

2,844.8 +

2,782.4 +

2,524.8 +

1,780.8 +

20,141.55 +

86,017.8 \*

Area 45,625 '561

A/R

OCTOBER 13, 1984

1984

3,729.65-515 ✓

4,128.25-512 ✓

8,149.50-50 ✓



5ms

COMPANY  
CASH RECEIPTS

NAME	BANK	ACCT. NO.	MISC. DEBITS	139	140	ACCT. NO.	MISC. CREDITS
3/4 JERRY STERNBERG	128.35						#86 128.35 ✓
3/8 DWI	2,745.10					2,745.10	
3/11 METAL EXCHANGE	2,599.10					2,599.10	
3/11 " "	2,305.80					2,305.80	
3/11 " "	2,718.10					2,718.10	
3/11 " "	3,392.55					3,392.55	
3/11 ALCOA	9,500.00					9,500.00	
3/11 CAN	2,007.75					2,007.75	
	22,346.40					22,346.40	
	13,734.54					13,734.54	
						1,249.50	

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SMS

COMPANY  
CASH RECEIPTS

NAME	BANK	ACCT. NO.	MISC. DEBITS	139	140	ACCT. NO.	MISC. CREDIT
3/20 METAL EXCHANGE	5,953.50 ✓					5,953.50 ✓	
4/21 LAKE METALS	3,294.00 ✓					3,294.00 ✓	
3/27 G. ELECTRIC	3,293.59 ✓					3,293.59 ✓	

1986  
Box 2

SMOKEY MOUNTAIN SMELTER  
Knoxville, Tenn.  
FINANCIAL STATEMENT  
January 31, 1986

78  
President  
Smelters, Inc.  
Tennessee

reviewed the accompanying balance sheet of Smokey Mountain  
January 31, 1986, and the related statements of income and  
changes in financial position for the year then ended in ac-  
cordance with the standards established by the American Institute of Certified Public Accountants.  
Information included in these financial statements was prepared by the management of Smokey Mountain Smelters, Inc.

Our review consists principally of inquiries of Company personnel and  
procedures applied to financial data. It is substantially less than an audit  
in accordance with generally accepted auditing standards, the  
objective of which is the expression of an opinion regarding the  
statements taken as a whole. Accordingly, we do not express an opinion.

Based on our review, we are not aware of any material modifications that should be  
made to the accompanying financial statements in order for them to be in  
conformity with generally accepted accounting principles.

*James E. Hickman*  
CERTIFIED PUBLIC ACCOUNTANT

(Note 7)  
Employee Advances

Current Assets

PROPERTY AND EQUIPMENT: (Notes 2 and 4)  
Furniture and Equipment  
Furniture and Fixtures  
Household Improvements

Accumulated Depreciation  
on Property and Equipment

OTHER ASSETS:  
Deposits

TOTAL ASSETS.....

-LIABILITIES AND STOCKHOLDER'S EQUITY-

CURRENT LIABILITIES:

Accounts Payable:	
Trade	\$222,855
Accrued Expenses	13,828
Note Payable - Bank, (Note 3)	99,000
Current Maturities of Long-Term Debt (Note 2)	85,978
<u>Total Current Liabilities</u>	<u>\$421,661</u>

LONG-TERM DEBT (Note 2) \$176,000

STOCKHOLDER'S EQUITY:

Common Stock - Par Value \$1; Authorized 1,000 Shares;  
    625 Issued; 375 Shares Outstanding  
Capital in Excess of Par Value  
Retained Earnings

Less: Treasury Stock (250 Shares)

PROFIT.

AL AND ADMINISTRATIVE EXPENSES

INCOME.

AINED EARNINGS - BEGINNING OF YEAR

AINED EARNINGS - END OF YEAR

Working Capital in the

Capital Provided from Operations

Debt Borrowing  
Increase in Deposits  
Net Source of Funds

APPLICATION OF FUNDS:

Acquisition of Treasury Stock  
Increase in Deposits  
Acquisition of Equipment  
Reduction of Long-Term Debt  
Net Application of Funds

INCREASE (DECREASE) IN WORKING CAPITAL . . . . .

CHANGES IN WORKING CAPITAL CONSIST OF:

Increase (Decrease) in Current Assets:

Cash	\$ (1,154)
Receivables - Net	222,571
Inventories	(8,149)
Prepaid Items	-0-
Supplies	5,967
<u>Total</u>	<u>\$ 219,235</u>

(Increase) Decrease in Current Liabilities:

Accounts Payable - Net	\$ (91,721)
Accrued Expenses	(2,994)
Note Payable - Bank	(29,000)
Current Maturities of Long-Term Debt	(20,902)
<u>Total</u>	<u>\$ (144,617)</u>

INCREASE (DECREASE) IN WORKING CAPITAL . . . . . \$ 74,618

es are as follows:

primarily consist of ingots and an

is recorded at cost and includes expendi

Repairs and maintenance are charged to ope

depreciation is computed using the straight-l  
methods. See Note 4.

3 - Investment tax credits of \$15,419 was used to  
redits of \$9,591 are available for carryforward to  
6 and before January 31, 2001.

2 - LONG-TERM DEBT

term debt consists of the following:

Description	
ment purchase obligation, due in monthly installments of \$1,500, plus interest, at prime rate plus 1%, through February 1996. Secured by property and equipment.	\$116,
Equipment purchase obligation, due in monthly - installments of \$995, plus interest, at prime rate plus 1%, through February 1990. Secured by equipment.	47,760
Stock purchase obligation, due in monthly installments of \$3,394, including interest at 13.5%, through May 1987. Secured by stock.	49,437
Construction obligation, due in monthly installments of \$1,222, plus interest at prime rate plus 1%, through December 1987. Secured by a portable housing facility.	28,111
Equipment purchase obligation, due in monthly installments of \$209, plus interest at prime rate plus 1%, through May 1987. Secured by a truck.	3,342
Equipment purchase obligation, due in monthly installments of \$396, plus interest at prime rate plus 1%, through September 1986. Secured by three trucks.	3,16
Equipment purchase obligation, due in monthly installments of \$1,074, including interest at 13.1%, through September 1985. Secured by an International loader.	
Equipment purchase obligation, due in monthly installments of \$2,465, including interest at prime rate plus 1%, through September 1985. Secured by a automobile.	



ed line of credit obligation, with  
on the outstanding balance due month

der individually owns one of the recycling furnaces  
representing one of its major assets. No compensation  
for the Company's use of the furnace.

- LEASE COMMITMENT

Company leases its administrative offices for a month  
operating facilities from its stockholder for a month  
rental payments are as follows:

	<u>Annual Rental</u>
1987	\$127,320
1988	122,440
1989	120,000
1990	120,000
1991	120,000
	<u>\$609,760</u>

NOTE 6 - RELATED PARTY TRANSACTIONS

The Company shares common ownership with Rotary Furnace, Inc. All current obligations of Rotary Furnace, Inc. were paid by the Company during the fiscal year ended January 31, 1986.

President  
an Smelters, Inc.  
Tennessee

scope of our review procedures for the fiscal year ended  
to the basic financial statements only. The following  
information is presented for purposes of additional analysis  
of the basic 1986 financial statements. Such information  
does not represent the scope of the review of the basic  
financial statements applied in the review of the basic  
statements. We do not become aware of any material modifications that  
affect the supplementary information.

*James E. Hickman*  
CERTIFIED PUBLIC ACCOUNTANT

DATE	REFERENCE NUMBER	DETAIL	DEB	CREDIT ACC. REC.	(MEMO) NEW BALANCE	(MEMO) PREVIOUS BALANCE	NAME
BALANCE FORWARD →							
8/1/85	CHECK			15,745 04	28,861 58	20,962 62	DAVID WITHERSPOON
8/1/85	CHECK			5,336 00	32,008 58	38,864 58	" "
8/1/85	CHECK			9,488 20	43,140 38	47,212 58	" "
8/1/85	CHECK			3,186 40	41,479 44	50,455 60	METAL EXCHANGE
8/1/85	2144		4,110 00		6,200 00	20,962 62	ALCAN ALUMINUM
8/2/85	2145		17,623 54		23,823 54	47,212 58	METAL EXCHANGE
8/4/85	CHECK			2,557 80	57,511 98	45,100 30	METAL EXCHANGE
8/12/85	CHECK			2,534 00	57,050 18	45,100 30	" "
8/9/85	CHECK			15,354 52	8,385 76	20,962 62	DAVID WITHERSPOON
8/1/85	DE 298						
8/8/85	2146	9/8	558 00		2,819 30	57,511 98	" "
8/8/85	2147	9/8	1,633 50		8,150 30	65,662 28	" "
8/5/85	2148		3,096 02		3,096 02	65,662 28	GENERAL ELECTRIC
8/6/85	2149		2,572 12		5,668 14	65,662 28	" "
8/7/85	2150		2,457 04		8,125 18	65,662 28	" "
8/12/85	2151		2,805 45		10,930 63	81,255 18	" "
8/15/85	CHECK			2,403 50	10,930 63	24,006 50	ALCOA
8/13/85	2152		14,059 20		24,006 50	81,255 18	DAVID WITHERSPOON
8/6/85	2153	NL	2336 00		74,619 50	81,255 18	" "
8/15/85	2154	HSM 9/5	1596 00		76,215 50	81,255 18	" "
8/19/85	CHECK			2,790 90	57,240 90	57,240 90	METAL EXCHANGE
8/19/85	CHECK			3,118 50	54,122 40	57,240 90	" "
8/20/85	CHECK			10,062 00	64,184 40	57,240 90	" "
8/17/85	2155		2876 30		13,786 80	57,240 90	METAL EXCHANGE
8/18/85	2156		2,543 10		16,329 90	63,955 00	" "
8/21/85	CHECK			17,623 54	28,861 58	76,478 54	" "
8/19/85	2157		2,749 60		31,611 18	76,478 54	" "
8/16/85	2158	DWEX 9/16	991 26		27,120 76	20,962 62	DAVID WITHERSPOON
8/26/85	CHECK			4,095 00	27,120 76	20,962 62	METAL EXCHANGE
TOTALS THIS PAGE			62,007 13				
TOTALS TO DATE			62,007 13	94,295 40	200,652 33	332,940 60	

DATE	REFERENCE NUMBER	DETAIL	DEBIT	CREDIT ACC. REC.	(MEMO) NEW BALANCE	(MEMO) PREVIOUS BALANCE	NAME
BALANCE FORWARD →			62,501 10	74,295 40	309,652 33	29,920 140 60	
8/14/85	CHECK			4 110 00	2,038 00	6,304 00	ALCAN
8/17/85	EL#40000			8,627 30	2,303 33	10,950 63	General Electric
8/28/85	CHECK			1,694 10	24,485 40	26,152 50	DAVID WITHERSPOON
8/26/85	2159	OWNY 9/24	309 00		24,164 40	24,164 40	" "
8/26/85	2160	OWNY 9/24	264 00		23,900 40	24,164 40	" "
8/26/85	2161	OWNY 9/24	3,903 00		19,997 40	23,900 40	" "
8/15/85	CHECK			3,172 80	16,824 60	19,997 40	" "
8/28/85	CHECK			12,320 00	4,504 60	19,997 40	METAL EXCHANGE
8/19/85	2162		1,604 82		1,604 82	4,504 60	ALCOA
8/20/85	2163		1,952 40		3,657 22	4,504 60	"
8/21/85	2164		1,386 39		2,270 83	3,657 22	"
8/22/85	2165		1,983 99		2,927 60	2,270 83	"
9/3/85	2167		16,232 31		3,444 35	2,927 60	METAL EXCHANGE
8/29/85	2168		2,340 10		1,104 25	3,444 35	" "
8/30/85	2169		1,429 50		1,104 25	1,104 25	" "
8/31/85	2170		2,973 60		1,104 25	1,104 25	" "
TOTALS THIS PAGE			96,386 24				
TOTALS TO DATE				124,219 60	1,104 25	1,132,516 97	

(A)

(B)

(C)

(D)

REFERENCE NUMBER	DETAIL	DEBIT	CREDIT ACC. REC.	(MEMO) NEW BALANCE	(MEMO) PREVIOUS BALANCE	NAME
ANCE FORWARD →						
85	CHECK		2,603 44	3,558 51	3,558 51	METAL EXCHANGE
483	CHECK		4,417 60	5,104 51	3,558 51	"
10/85	CHECK		2,094 00	3,010 51	2,094 00	ALCAN
10/85	CHECK		7,970 00	1,039 51	3,010 51	ALCOA
9/2/85	2171	2,576 00		3,010 51	3,010 51	METAL EXCHANGE
9/3/85	2172	2,823 80		1,186 71	3,010 51	"
9/4/85	2173	1,732 50	DWCH 10/4	2,032 21	2,032 21	DAVID WITHERSP
9/7/85	2174	6,465 60		3,878 61	2,032 21	"
9/10/85	2175	2,116 10		3,878 61	3,878 61	METAL EXCHANGE
9/10/85	2177	2,373 70		4,000 31	3,878 61	"
9/11/85	2179	2,924 60		4,395 91	4,000 31	"
9/12/85	2180	2,535 40		4,649 31	4,395 91	"
9/13/85	2181	2,662 80		4,916 11	4,649 31	"
9/15/85	2182	1,699 32		5,085 43	4,916 11	"
9/16/85	CHECK		16,232 31	34,200 54	5,085 43	"
9/16/85	9/M TO CREDIT FOR WET ERRAN	1,070 00		33,130 54	34,200 54	ALCOA-BADIN
9/15/85	2183	3,105 90		30,024 64	33,130 54	METAL EXCHANGE
9/19/85	CHECK		2,876 30	27,148 34	30,024 64	"
9/20/85	2184	4,072 50		23,075 84	27,148 34	MACON IRON + PAPER
9/23/85	CHECK		2,543 10	20,532 74	23,075 84	METAL EXCHANGE
9/23/85	CHECK		2,749 60	17,783 14	20,532 74	"
9/23/85	CHECK		4,778 76	13,004 38	17,783 14	DAVID WITHERSP
9/20/85	2185	4,782 00	HSM	8,222 38	13,004 38	"
9/25/85	2186	6,459 44	NL	1,762 94	8,222 38	"
9/27/85	2187	5,451 20	NL	3,691 74	1,762 94	"
9/28/85	2188	2,349 90		1,341 84	3,691 74	METAL EXCHANGE
9/30/85	2189	2,545 20		1,187 64	1,341 84	"
9/28/85	2190	1,898 40		36,354 34	1,187 64	"
9/28/85	2191	1,846 50	DWCH	34,507 84	36,354 34	DAVID WITHERSP
TOTALS THIS PAGE						
TOTALS TO DATE						

SAS

COMPANY  
CASH RECEIPTS

NAME	BANK	ACCT. NO.	MISC. DEBITS	129	140	ACCT. NO.	MISC. CREDITS
9/2 METAL EXCHANGE	2,603.44					2,603.44	✓
"	4,417.60					4,417.60	✓
FIRST TN. BANK	5,000.00					#435103 5,000.00	✓
9/10 ALCOA	7,970.00					7,970.00	✓
ALCAN	2,094.00					2,094.00	✓
9/16 METAL EXCHANGE	16,232.31					16,232.31	✓
9/17 METAL EXCHANGE	2,876.30					2,876.30	✓
9/17 1ST TN BANK	10,600.00					5,292.70 #435104 10,600.00	✓ EQUIP ACCT
9/23 METAL EXCHANGE	5,292.70						
10/3 DAVID WITHERSPOON	4,778.76					4,778.76	
9/25 1ST TN BANK	15,015.00					#435103 15,000.00	✓
9/30 1ST TN. BANK	5,304.00					#435104 5,304.00	✓
TOTAL	82,184.21					46,265.11	35,919.00

NAME OF BANK

DATE SEPTEMBER

PAGE NO.



DATE	REFERENCE NUMBER	DETAIL	A DEBIT	B CREDIT ACC. REC.	C (MEI NE BALA)	D (MEMO) PREVIOUS BALANCE	NAME
BALANCE FORWARD →							
11/1/85	2247		1,676 00		20,815 30	19,139 30	ALCOA
11/1/85	2248		901 00		21,916 30	20,815 30	"
11/2/85	2249		812 00		22,527 30	21,916 30	"
11/3/85	2265		2,381 00		24,908 30	22,527 30	"
11/6/85	CHECK			1,846 50	23,061 80	24,908 30	DAVID WITHERSPO
11/4/85	2267		2,493 40		453,176 40	23,061 80	METAL EXCHANGE
11/3/85	2268		2,065 25		455,241 65	453,176 40	"
11/5/85	2269		2,378 60		457,620 25	455,241 65	"
11/4/85	2270		2,169 00		459,789 25	457,620 25	ALCOA
11/6/85	2271		1,860 00		461,649 25	459,789 25	"
11/4/85	CHECK			3,205 40	458,443 85	461,649 25	ALCAN
11/6/85	CHECK			9,483 60	448,960 25	458,443 85	METAL EXCHANGE
11/8/85	CHECK 48220			3,744 50	455,215 75	448,960 25	ALCOA
11/10/85	CHECK			7,863 00	447,352 75	455,215 75	ALCAN
11/7/85	2272		1,319 00		446,033 75	447,352 75	ALCOA
11/8/85	2273		1,612 00		444,421 75	446,033 75	ALCOA
11/10/85	2274		2,037 00		442,384 75	444,421 75	"
11/8/85	2275		4,088 00		438,296 75	442,384 75	METAL EXCHANGE
11/9/85	2276		1,095 00		437,201 75	438,296 75	DAVID WITHERSPO
11/9/85	2277		321 00		436,880 75	437,201 75	"
11/10/85	2278		2,716 50		434,164 25	436,880 75	"
11/11/85	2279		2,710 40		431,453 85	434,164 25	"
11/12/85	2280		4,397 40		387,456 45	431,453 85	ALCOA
11/14/85	CHECK			8,864 80	35,496 65	387,456 45	METAL EXCHANGE
11/14/85	2281		3,052 70		38,549 35	35,496 65	"
11/15/85	2282		1,264 50		39,813 85	38,549 35	"
11/17/85	2284		8,825 00		8876 00	39,813 85	ALCOA - BAOEN
11/16/85	2285		3,054 80		43,868 80	8876 00	METAL EXCHANGE
11/18/85	CHECK			13,580 14	36,154 30	43,868 80	DAVID WITHERSPO
TOTALS THIS PAGE							
TOTALS TO DATE			53,229 55	48,582 94	135,182 30	130,340 67	

DATE	REFERENCE NUMBER	DETAIL	DEBIT	CREDIT ACC. REC.	(MEM) NEW BALANCE	(MEMO) PREVIOUS BALANCE	NAME
BALANCE FORWARD →			48,329.55	48,329.94	135,182.30	150,500.67	
11/11/85	2289		3,545.00		37,104.20	37,652.20	ALCOA
11/19/85	2288		1,293.00		38,397.20	37,104.20	"
11/18/85	2286		3,059.00		45,927.05	42,864.85	METAL EXCHANGE
11/19/85	2287		2,137.24		48,064.27	45,927.05	"
11/19/85	2290		1,669.20		1,669.20		DOEHLE-JARVIS
11/20/85	2292		4,149.60		5,818.80	1,669.20	
11/19/85	2293		1,223.00		39,120.80	38,397.20	ALUMINUM CO. OF AM
11/20/85	2294		1,718.00		41,338.80	39,120.80	"
11/21	2296		3,166.80		28,985.60	5,818.80	DOEHLE-JARVIS
11/22/85	2297		2,865.20		11,850.20	28,985.60	"
11/22	2295		1,617.00		48,795.20	11,850.20	ALCOA
11/21/85	CHECK			601.90	47,442.30	48,795.20	METAL EXCHANGE
11/25/85	CHECK			9,959.93	37,502.96	47,442.30	"
11/25/85	CHECK # 07-060841			2,164.80	25,770.40	37,502.96	ALCOA
11/23/85	2298		1,601.60		13,982.40	25,770.40	DOEHLE-JARVIS
11/21/85	CHECK			10,755.22	26,747.24	13,982.40	METAL EXCHANGE
11/23/85	2299	HSM	1,822.50		31,776.38	26,747.24	DAVID WITHERSPOON
11/23/85	2300		1,301.00		23,021.40	31,776.38	ALUMINUM CO. OF AL
11/24/85	2301		969.60		38,746.40	23,021.40	DAVID WITHERSPOON
11/27/85	CHECK			1,233.00	21,773.40	38,746.40	"
11/27/85	2303		7,927.60		45,643.40	21,773.40	
11/30/83	2304		8,519.98		8,519.98		GENERAL ELECTRIC
TOTALS THIS PAGE							
TOTALS TO DATE			100,816.87	92,302.79	161,575.89	160,244.93	

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SMS

COMPANY

CASH RECEIPTS

NAME	BANK	ACCT. NO.	MISC. DEBITS	139	140	ACCT. NO.	MISC. CREDITS
ALCAN	3,205.40				3,205.40		
HOYT WISER	56.00						56.00 ✓
11/6 METAL EXCHANGE	9,483.60				9,483.60		
DAVID WITHERSPOON	1,846.50				1,846.50		
11/10 ALCOA	3,744.50				3,744.50		
11/12 ALCAN	7,863.00				7,863.00		
11/14 METAL EXCHANGE	8,864.80				8,864.80		
11/19 DAVID WITHERSPOON	13,580.14				13,580.14		
11/21 METAL EXCHANGE	601.90				601.90		
11/21 FIRST TN. BANK	13,581.43						13,581.43 ✓
11/25 METAL EXCHANGE	9,959.93				9,959.93		
ALCOA	21,164.80				21,164.80		
11/27 DWE	1,233.00				1,233.00		
11/27 METAL EXCHANGE	10,755.22				10,755.22		
							13,748.24

NAME OF BANK

DATE NOVEMBER

PAGE NO. 1

RECORDS - JCR-17

1200 NATIONAL AVE.  
TUCKER, GA 30084

1200 NATIONAL AVE.  
TUCKER, GA 30084

1200 NATIONAL AVE.  
TUCKER, GA 30084

1200 NATIONAL AVE.  
TUCKER, GA 30084

DATE	REFERENCE NUMBER	DETAIL	A DEBIT	B CREDIT ACC. REC.	C EMO NEW LANCE	D (MEMO) PREVIOUS BALANCE	92 NAN
BALANCE FORWARD			13,944.63	13,944.63	13,944.63	13,944.63	
1/2/85	2236		801.00		801.00	13,143.63	ALCOA
1/9/85	2237		805.50		805.50	12,338.13	METAL EX.
1/16/85	2239		1,919.00		1,919.00	10,419.13	ALCOA
1/23/85	2240		2,002.00		2,002.00	8,417.13	"
1/30/85	CHECK # 08-23959			13,188.00	13,188.00	1,229.13	ALCOA
2/6/85	2241	AL	7,083.28		7,083.28	5,145.85	DAVID WITHE
2/13/85	2242		1,554.75		1,554.75	3,591.10	METAL EXCH
2/20/85	2243		793.50		793.50	2,797.60	"
2/27/85	2244		1,221.00		1,221.00	1,576.60	ALCOA
3/6/85	2245		1,228.00		1,228.00	348.60	"
3/13/85	2246		51.00		51.00	297.60	ALCOA-BAD1.
TOTALS THIS PAGE							
TOTALS TO DATE			13,923.58	109,004.62	13,923.58	1,617.12	

CASH F. TS JOURNAL - JCR-17

10 13000

6131 MALT AVE  
LOS ANGELES, CA 90040

P.O. BOX 425  
TUCKER, GA 30084

AVE 31

1220  
ADDRESS

P.O. BOX 425  
TUCKER, GA 30084

10 13000

10 13000

DATE	REFERENCE NUMBER	DE	A DEBIT	B CREDIT ACC. REC.	C NEW BALANCE	D (MEMO) PREVIOUS BALANCE	NAME
BALANCE FORWARD →			33,766 70	33,766 20	33,766 12	33,766 12	
10/8/85	2215		1,741 50		1,741 50		RIMMER BROS
10/12/85	2216		875 63		875 63		"
10/14/85	2217		1,932 00		1,932 00		ALCOA
10/15/85	2218		1,973 00		1,973 00		"
10/15/85	2219		2,216 00		2,216 00		"
10/17/85	CHECK			1732 50	1732 50		DAVID WITHERS
10/17/85	CHECK			5,460 00	5,460 00		METAL EXCH
10/17/85	CHECK			4,362 12	4,362 12		"
10/16/85	2220		1,228 80		1,228 80		DAVID WITHE
10/16/85	2221		1,597 00		1,597 00		ALCOA
10/17/85	2223		1,908 00		1,908 00		"
10/16/85	2224		601 90		601 90		METAL EXCH
10/18/85	2225		5,657 60		5,657 60		DAVID WITHER
10/21/85	2226		7,635 20		7,635 20		"
10/18/85	2227		2,147 50		2,147 50		ALCOA
10/21/85	CHECK	TO CORRECT TO METAL EXCHANGE WHTS	1,402 50	4,087 30	4,087 30		METAL EXCH
10/21/85	CHECK			3,105 90	3,105 90		"
10/23/85	CHECK			4,782 00	4,782 00		DAVID WITHE.
10/23/85	2228		4,121 60		4,121 60		"
10/25/85	CHECK	96399.72		22,688 50	22,688 50		ALCOA
10/23/85	2229		9959 93		9959 93		METAL EXCH
10/23/85	2231	HL	2,352 00		2,352 00		DAVID WITHER
10/25/85	2230		10,255 22		10,255 22		METAL EXCH
10/24/85	2232		1,233 02		1,233 02		DAVID WITHE
10/25/85	CHECK			4,072 50	4,072 50		MACON IRON
10/26/85	2233		2,448 75		2,448 75		RIMMER BROS
10/27/85	CHECK			6,465 60	6,465 60		DAVID WITHE
10/25/85	2234		2,405 00		2,405 00		ALCOA
10/25/85	2235		3,910 80		3,910 80		"
TOTALS THIS PAGE							
TOTALS TO DATE			119,464 63	95,816 62	1,337,378 19	1,314,751 18	

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DATE	REFERENCE NUMBER	DET.	A DEBIT	B CREDIT ACC. REC.	C NEW BALANCE	D (MEMO) PREVIOUS BALANCE	NAME
BALANCE FORWARD →							
10/3/85	ch			1,429 50	24,324 36	22,894 86	METAL EXCHAN
10/3/85	ch			2,340 10	21,584 26	20,554 76	" "
10/3/85	ch			2,973 60	18,610 66	17,581 16	" "
10/7	check			2,576 00	16,034 66	14,005 16	" "
10/7	check			2,823 80	13,210 86	11,181 36	" "
10/2	check			20,871 20	11,189 66	10,980 46	DAVID WITHERSP
10/3/85	CHECK			6,046 00	5,143 66	4,534 46	ALCOA
10/2/85	2192		2,690 10		2,453 56	2,453 56	METAL EXCHAN
10/2/85	2193		3,205 40		1,248 16	1,248 16	ALCAN METALS
*	JE	ADJUSTMENT FOR LIGHT LOAD	2,881 60		1,248 16	1,248 16	ALCOA
10/3/85	2195		888 00		360 16	360 16	ALCOA
10/4/85	2196		1,987 00		163 16	163 16	"
10/6/85	2197		7,863 00		1,163 16	3,205 40	ALCAN METAL
10/4/85	2198		1,396 00		207 16	207 16	ALCOA
10/5/85	2199		1,791 50		20 66	20 66	"
10/6/85	2200		1,765 00		1,827 50	6,662 50	"
10/7/85	2201		2,699 00		10,526 50	7,530 50	"
10/7/85	2202		1,119 00		11,645 50	10,526 50	"
10/8/85	2203		1,316 00		12,361 50	11,645 50	"
10/8/85	2204		2,641 00		13,102 50	12,361 50	"
10/9/85	2205		1,287 00		14,889 50	13,102 50	"
10/9/85	2206		1,546 00		16,435 50	14,889 50	"
10/11/85	2207		4,253 00		22,688 50	16,435 50	"
10/8/85	2209		1,669 50		35,046 75	22,688 50	DAVID WITHERSPOO
10/11/85	2210		1,792 00		36,838 75	35,046 75	ALCOA
10/12/85	2212		1,590 00		38,428 75	36,838 75	"
10/13/85	2213		2,415 00		40,843 75	38,428 75	"
10/14/85	2214		1,270 00		42,573 75	40,843 75	"
10/12/85	2208		8,864 80		33,708 95	42,573 75	METAL EXCHANGE
TOTALS THIS PAGE			53,166 70	39,060 20			
TOTALS TO DATE					520,799 62	506,693 12	

10K449  
ON, TX, 15080

6117 MALT AVE  
LOS ANGELES, CA, 90040

10K449  
TUCKER, GA, 30084

10K449  
JOLIET, IL, 61781

5MS

COMPANY  
CASH RECEIPTS

NAME	BANK	ACCT. NO.	MISC. DEBITS	129	140	ACCT. NO.	MISC. CREDIT
10/2 DAVID WITHERSPON	20,871.20					20,871.20	✓
10/3 ALCOA	6,046.00					6,046.00	✓
METAL EXCHANGE	1,429.50					1,429.50	✓
" "	2,340.10					2,340.10	✓
" "	2,973.60					2,973.60	✓
10/7 METAL EXCHANGE	2,576.00					2,576.00	✓
" "	2,823.80					2,823.80	✓
	14,000.00						# 485100 14,000.00 ✓
10/12 METAL EXCHANGE	4,362.12					4,362.12	✓
" "	5,460.00					5,460.00	✓
10/17 DAVID WITHERSPON	1,732.50					1,732.50	✓
10/18 METAL EXCHANGE	4,087.30					4,087.30	✓
" "	3,105.90					3,105.90	✓

NAME OF BANK

DATE OCTOBER, 1985

PAGE NO. 1





					DAVID WITH
					"
					"
					METAL EXCHANGE
					RAMCO TRADING
60					DAVID WITHERSPOON
97 9					"
46 40					"
005 00					"
405 16					METAL EXCHANGE
	1,386 00				ARCO METALS
	1,421 62				RIMMER BRAS
	17,871 74				DAVID WITHERSPOON
	14,384 70				"
	3,129 00				METAL EXCHANGE
	2,334 00				GENERAL ELECTRIC
	8,951 23				METAL EXCHANGE
	2,401 00				METAL EXCHANGE
	1,36 70				METAL EXCHANGE
					METAL EXCHANGE
					METAL EXCHANGE
					METAL EXCHANGE
					METAL EXCHANGE





SMOKEY MOUNTAIN SMELTERS, INC.

BALANCE SHEET  
01/31/89

PAGE: 1

Box 2-99  
Co. TAX  
Records

----- ASSETS -----

CURRENT ASSETS

CASH	115065.43
ACCOUNTS RECEIVABLE	208528.68
ACCT. RECEIVABLE-OFFICER	27997.70
PREPAID EXPENSES	47703.82
INVENTORY	8268.35

407563.98

FIXED ASSETS

LEASEHOLD IMPROVEMENTS	120267.65
MACHINERY AND EQUIPMENT	949380.94
FURNITURE AND FIXTURES	11264.77
ACCUMULATED DEPRECIATION	(729902.52)

3510

OTHER ASSETS

DEPOSITS	11064.80
----------	----------

11064.80

TOTAL ASSETS

769639.62

100

SMOKEY MOUNTAIN SMELTERS, INC.

BALANCE SHEET  
01/31/89

PAGE: 2

---- LIABILITIES & CAPITAL ----

CURRENT LIABILITIES			
CURRENT LIABILITIES	91321.50		
ACCRUED EXPENSES	22027.47		
	-----	113348.97	
LONG TERM LIABILITIES			
NOTES PAYABLE	208821.06		
	-----	208821.06	
TOTAL LIABILITIES		-----	322170.03
CAPITAL			
CAPITAL STOCK	415.00		
CAPITAL IN EXCESS OF PAR VALUE	59281.26		
TREASURY STOCK	(150000.00)		
YEAR TO DATE PROFIT/LOSS	28304.97		
RETAINED EARNINGS	509469.38		
	-----	447469.59	
TOTAL CAPITAL		-----	447469.59
			-----
TOTAL LIABILITIES & CAPITAL			769639.62
			=====

## SNOKEY MOUNTAIN SHELTERS, INC.

BALANCE SHEET  
01/31/89

PAGE: 3

## --- SUPPORTING SCHEDULES ---

## ASH

PETTY CASH	700.00	
CASH IN BANK-REGULAR	94272.59	
CASH IN BANK-PAYROLL	92.84	
CERTIFICATES OF DEPOSIT	20000.00	
TOTAL		115065.43

## ACCOUNTS RECEIVABLE

ACCOUNTS RECEIVABLE-TRADE	193307.79	
ACCOUNTS RECEIVABLE-EMPLOYEES	15220.89	
TOTAL		208528.68

## REPAID EXPENSES

DEFERRED EXPENSES	38709.82	
PREPAID TAXES	8994.00	
TOTAL		47703.82

## INVENTORY

INVENTORY-METAL	517.75	
INVENTORY-SUPPLIES	7750.60	
TOTAL		8268.35

## DEPOSITS

UTILITY DEPOSIT	11033.99	
OTHER DEPOSITS	30.81	
TOTAL		11064.80

## CURRENT LIABILITIES

ACCOUNTS PAYABLE-TRADE	91321.50	
TOTAL		91321.50

## ACCRUED EXPENSES

ACCOUNTS PAYABLE-INSURANCE	5022.64	
ACCRUED FICA	3984.01	
ACCRUED UNEMPLOYMENT TAXES	4202.74	
ACCRUED TAXES	(465.16)	
ACCRUED INTEREST	1659.14	
ACCRUED PAYROLL	7557.69	
ACCRUED PROPERTY TAXES	66.41	
TOTAL		22027.47

## DUES PAYABLE

FIRST TENN.-FURNACE	129000.00
FIRST TENN.-AUCTION EQUIPMENT	13930.00
CLARK EQUIPMENT CO.	12348.36
HOME FEDERAL-OLDS JIMMY	14651.70
FIRST TENN.--AUTO	0.00
HOME FEDERAL SAVINGS BANK	9560.75

SMOKEY MOUNTAIN SMELTERS, INC.

BALANCE SHEET  
01/31/89

PAGE: 4

FIRST TENN-PETERBILT/TRAILERS	16389.78	
FIRST TENN.-SMOKEY REBUILD	7266.60	
FORD MOTOR CREDIT COMPANY	5673.87	
TOTAL	-----	208821.06

## SNOKEY MOUNTAIN SHELTERS, INC.

CONSOLID. INCOME STATEMENT  
01/31/89

PAGE: 1

	====CURRENT PERIOD====		====YEAR TO DATE====	
	AMOUNT	% SALES	AMOUNT	% SALES

## -- REVENUE ----

EVENUE				
PROCESSING REVENUE	93843.08	14.44	1277691.48	37.91
METAL SALES	221888.56	34.14	1501017.63	44.54
BROKERAGE SALES	333370.72	51.29	598326.76	17.46
MISCELLANEOUS INCOME	903.49	0.14	3041.79	0.09
TOTAL	650005.85	100.00	3370077.66	100.00

ET SALES	650005.85	100.00	3370077.66	100.00
----------	-----------	--------	------------	--------

## COST OF GOODS SOLD

COST OF SALES	498009.18	76.62	1778864.97	52.78
TOTAL	498009.18	76.62	1778864.97	52.78

GROSS PROFIT	151996.67	23.38	1591212.69	47.22
--------------	-----------	-------	------------	-------

## --- EXPENSES ----

## EXPENSE CATEGORY 1

PAYROLL	26459.48	4.07	301346.48	8.94
SUPPLIES	5585.50	0.86	61629.32	1.83
MAINTENANCE	3327.17	0.51	98369.45	2.92
REPAIRS	4914.95	0.76	45053.42	1.34
UTILITIES	26219.47	4.03	300000.48	8.90
GAS-PLANT	557.73	0.09	4764.41	0.14
DIESEL	395.10	0.06	9042.14	0.27
OXYGEN & ACETYLENE	80.41	0.01	1651.76	0.05
EXPENDABLE TOOLS	0.00	0.00	52.33	0.00
EQUIPMENT RENTAL	334.84	0.05	7548.99	0.22
GROUP INSURANCE	1781.91	0.27	21257.19	0.63
SALT	5377.93	0.83	81394.37	2.42
MEDICAL	39.17	0.01	265.72	0.01
PAYROLL TAXES	3317.59	0.51	29941.04	0.89
UNEMPLOYMENT EXPENSES	1192.73	0.18	6427.51	0.19
TRAVEL & ENTERTAINMENT	103.89	0.02	18956.94	0.56
PROFESSIONAL EXPENSES	528.00	0.08	17264.70	0.51
INSURANCE-LIFE	0.00	0.00	8390.00	0.25
DEPRECIATION	13329.58	2.05	153377.93	4.55
SANITARY & CLEANING SUPPLIES	45.80	0.01	156.72	0.00
SALARIES-B & A	17715.85	2.73	110535.22	3.28
ADVERTISING	50.08	0.01	79.41	0.00

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## SMOKEY MOUNTAIN SHELTERS, INC.

CONSOLID. INCOME STATEMENT  
01/31/89

PAGE: 2

104

	====CURRENT PERIOD====		====YEAR TO DATE====	
	AMOUNT	% SALES	AMOUNT	% SALES
SOLINE	183.44	0.03	2326.74	0.07
IR RENTAL	775.00	0.12	9104.25	0.27
ISURANCE-GENERAL	5159.23	0.79	60536.71	1.80
INTEREST EXPENSE	1689.57	0.26	20617.64	0.61
INT	10900.00	1.68	125950.00	3.74
IXES-STATE-CD.-LOCAL	0.00	0.00	11703.00	0.35
ISC. EXPENSES	1418.16	0.22	5735.92	0.17
FFICE EXPENSES	153.54	0.02	1744.55	0.05
ELEPHONE & TELEGRAPH	239.13	0.04	12599.85	0.37
STAGE	83.70	0.01	996.90	0.03
ANK CHARGES	1.18	0.00	19.36	0.00
JES AND SUBSCRIPTIONS	490.47	0.08	4728.32	0.14
ECURITY	0.00	0.00	27159.32	0.81
ETIREMENT INSURANCE PROGRAM	140.00	0.02	2179.63	0.06
	-----		-----	
TOTAL	132590.60	20.40	1562907.72	46.38
	-----		-----	
L OPERATING EXPENSES	132590.60	20.40	1562907.72	46.38
	=====		=====	
OPERATING INCOME	19406.07	2.99	28304.97	0.84
	=====		=====	
INCOME	19406.07	2.99	28304.97	0.84
	=====		=====	

SHOKEY MOUNTAIN SHELTERS, INC.

CONSOLID. INCOME STATEMENT  
01/31/89

PAGE: 3

====CURRENT PERIOD====    ===YEAR TO DATE=====  
AMOUNT    % SALES    AMOUNT    % SALES

---- SUPPORTING SCHEDULES ----

MISCELLANEOUS INCOME

INTEREST INCOME	903.49	0.14	3041.79	0.09
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TOTAL	903.49	0.14	3041.79	0.09
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COST OF SALES

PURCHASES-METAL	73314.69	11.28	1040968.39	30.89
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PURCHASES-BROKERAGE	421997.32	64.92	698940.89	20.74
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FREIGHT EXPENSES	2420.20	0.37	33613.52	1.00
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PETERBILT EXPENSE	276.97	0.04	5342.17	0.16
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TOTAL	498009.18	76.62	1778864.97	52.78
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Employee Name	Trans.		Earnings Specification					Qty		Rate	Wages	Code
	No.	Date	Code	Description	Units	Basis	Taxed	Units				
DAN E. JOHNSON	1	08/28/89	1	STRAIGHT	HR	R	Y	1	1442.3	1442.30	9 G&A PR	
JEAN S. THOMPSON	2	08/28/89	1	STRAIGHT	HR	R	Y	1	550	550.00	9 G&A PR	
BEECHER K. WARD	3	08/28/89	1	STRAIGHT	HR	R	Y	40	6	240.00	8 PAYROLL	
	4	08/28/89	2	OVERTIME	HR	D	Y	11	9	99.00	8 PAYROLL	
HAROLD WILSON	5	08/28/89	1	STRAIGHT	HR	R	Y	40	6.4	256.00	8 PAYROLL	
	6	08/28/89	2	OVERTIME	HR	D	Y	2.3333	9.6	22.40	8 PAYROLL	
COY WAYMAN	7	08/28/89	1	STRAIGHT	HR	R	Y	40	6	240.00	8 PAYROLL	
	8	08/28/89	2	OVERTIME	HR	D	Y	23.333	9	210.00	8 PAYROLL	
DONALD R. LAMBERT	9	08/28/89	1	STRAIGHT	HR	R	Y	40	10.62	424.80	8 PAYROLL	
	10	08/28/89	2	OVERTIME	HR	D	Y	4.8667	15.93	77.53	8 PAYROLL	
THOMAS W. MOORE	11	08/28/89	1	STRAIGHT	HR	R	Y	40	6.1	244.00	8 PAYROLL	
	12	08/28/89	2	OVERTIME	HR	D	Y	4.1667	9.05	37.71	8 PAYROLL	
JAMES A. WRIGHT	13	08/28/89	1	STRAIGHT	HR	R	Y	40	5.5	220.00	8 PAYROLL	
	14	08/28/89	2	OVERTIME	HR	D	Y	2.5	8.25	20.63	8 PAYROLL	
TAMMY DENISE KEY	15	08/28/89	1	STRAIGHT	HR	R	Y	34.833	5.5	191.58	9 G&A PR	
	16	08/28/89	3	VACATION	HR	V	Y	8	5.5	44.00	9 G&A PR	
TERRY STEVEN GIBBONS	17	08/28/89	1	STRAIGHT	HR	R	Y	40	5.65	226.00	8 PAYROLL	
	18	08/28/89	2	OVERTIME	HR	D	Y	9.5	8.47	80.47	8 PAYROLL	
JOHN RAYMOND WARWICK	22	08/28/89	1	STRAIGHT	HR	R	Y	1	325	325.00	8 PAYROLL	
J. GLENN RIGGS	19	08/28/89	1	STRAIGHT	HR	R	Y	1	625	625.00	9 G&A PR	
RIAN K. WRIGHT	20	08/28/89	1	STRAIGHT	HR	R	Y	40	4.6	184.00	8 PAYROLL	
	21	08/28/89	2	OVERTIME	HR	D	Y	9	6.9	62.10	8 PAYROLL	
ACK. D. OTT	23	08/28/89	1	STRAIGHT	HR	R	Y	40	3.75	150.00	8 PAYROLL	
	24	08/28/89	2	OVERTIME	HR	D	Y	24	5.62	134.88	8 PAYROLL	
ARON TODD DENHAM	25	08/28/89	1	STRAIGHT	HR	R	Y	40	5.5	220.00	8 PAYROLL	
	26	08/28/89	2	OVERTIME	HR	D	Y	11.5	8.25	94.88	8 PAYROLL	
JOY W. REIDY	27	08/28/89	1	STRAIGHT	HR	R	Y	40	5.1	204.00	8 PAYROLL	
	28	08/28/89	2	OVERTIME	HR	D	Y	22.333	7.65	170.85	8 PAYROLL	
SMITH	29	08/28/89	1	STRAIGHT	HR	R	Y	1	500	500.00	8 PAYROLL	
GRIFF	30	08/28/89	1	STRAIGHT	HR	R	Y	30	4.5	135.00	8 PAYROLL	
	31	08/28/89	1	STRAIGHT	HR	R	Y	40	4.6	184.00	8 PAYROLL	
	32	08/28/89	2	OVERTIME	HR	D	Y	8.1667	6.9	56.35	8 PAYROLL	
	33	08/28/89	1	STRAIGHT	HR	R	Y	40	4.5	180.00	8 PAYROLL	
	34	08/28/89	2	OVERTIME	HR	D	Y	16.833	6.75	113.62	8 PAYROLL	
		08/28/89	1	STRAIGHT	HR	R	Y	40	4.65	186.00	8 PAYROLL	
			2	OVERTIME	HR	D	Y	6.1667	6.97	42.93	8 PAYROLL	
			1	STRAIGHT	HR	R	Y	7.1667	4.5	32.25	8 PAYROLL	
				STRAIGHT	HR	R	Y	14	4.6	64.40	8 PAYROLL	
				STRAIGHT	HR	R	Y	40	5	200.00	8 PAYROLL	
				OVERTIME	HR	D	Y	2.3333	7.5	17.50	8 PAYROLL	
				STRAIGHT	HR	R	Y	40	4.65	186.00	8 PAYROLL	
				OVERTIME	HR	D	Y	5.6667	6.97	39.50	8 PAYROLL	
					HR	R	Y	24	4.5	108.00	8 PAYROLL	

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Box 2

Company

Records

- Employees

- Financial



====CURRENT PERIOD====		====YEAR TO DATE====	
AMOUNT	% SALES	AMOUNT	% SALES

## --- SUPPORTING SCHEDULES ---

## MISCELLANEOUS INCOME

INTEREST INCOME	619.23	0.12	1225.24	0.15
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TOTAL	619.23	0.12	1225.24	0.16
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## COST OF SALES

PURCHASES-METAL	348559.08	66.93	446687.55	58.01
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PURCHASES-BROKERAGE	(2958.00)	-0.57	3393.00	0.44
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FREIGHT EXPENSES	4928.72	0.95	8950.59	1.16
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PETERBILT EXPENSE	1265.50	0.24	1265.50	0.16
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TOTAL	351795.30	67.56	460296.64	59.78
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CURRENT ASSETS		
CASH	10544.15	
ACCOUNTS RECEIVABLE	183303.90	
ACCT. RECEIVABLE-OFFICER	63854.26	
PREPAID EXPENSES	64793.44	
INVENTORY	550.93	
		331046.68
FIXED ASSETS		
LEASEHOLD IMPROVEMENTS	136568.54	
MACHINERY AND EQUIPMENT	788671.22	
VEHICLES	75652.27	
FURNITURE AND FIXTURES	21910.00	
ACCUMULATED DEPRECIATION	(786146.57)	
		416655.46
OTHER ASSETS		
DEPOSITS	11033.99	
		11033.99
TOTAL ASSETS		758736.13

LIABILITIES & CAPITAL

CURRENT LIABILITIES			
CURRENT LIABILITIES	51666.15		
ACCRUED EXPENSES	16606.55		
FIRST TENNESSEE-LDC	35000.00		
		103292.70	
LONG TERM LIABILITIES			
NOTES PAYABLE	175774.27		
		179774.27	
TOTAL LIABILITIES			283066.97
CAPITAL			
CAPITAL STOCK	415.00		
CAPITAL IN EXCESS OF PAR VALUE	59281.24		
TREASURY STOCK	(150000.00)		
YEAR TO DATE PROFIT/LOSS	21325.34		
RETAINED EARNINGS	544647.56		
		475669.16	
TOTAL CAPITAL			475669.16
TOTAL LIABILITIES & CAPITAL			758735.13

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PETTY CASH	700.00	
CASH IN BANK-REGULAR	17756.65	
CASH IN BANK-PAYROLL	87.30	
TOTAL		18544.15

ACCOUNTS RECEIVABLE		
ACCOUNTS RECEIVABLE-TRADE	167672.52	
ACCOUNTS RECEIVABLE-EMPLOYEES	18631.38	
TOTAL		183303.90

PREPAID EXPENSES		
DEFERRED EXPENSES	33589.44	
PREPAID TAXES	31204.00	
TOTAL		64793.44

INVENTORY		
INVENTORY-METAL	517.75	
INVENTORY-SUPPLIES	33.18	
TOTAL		550.93

DEPOSITS		
UTILITY DEPOSIT	11033.99	
TOTAL		11033.99

CURRENT LIABILITIES		
ACCOUNTS PAYABLE-TRADE	51686.15	
TOTAL		51686.15

EXPENSES		
PAYABLE-INSURANCE	18215.44	
	3348.20	
INT. TAXES	1672.90	
TAXES	48.41	
		16406.55

79774.27

CURRENT PER  
AMOUNT % SALES AMOUNT

REVENUE ----

REVENUE

PROCESSING REVENUE	137245.15	71.27	911328.18	43.42
METAL SALES	35076.86	28.60	952611.53	45.39
SALES-MISC.	0.00	0.00	163.35	0.01
BROKERAGE SALES	0.00	0.00	230457.15	10.98
MISCELLANEOUS INCOME	249.47	0.13	4306.05	0.21

TOTAL	192571.48	100.00	2098866.26	100.00
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NET SALES

192571.48	100.00	2098866.26	100.00
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COST OF GOODS SOLD

COST OF SALES	47083.93	24.45	1085413.37	51.71
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TOTAL	47083.93	24.45	1085413.37	51.71
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GROSS PROFIT

145487.55	75.55	1013452.89	48.29
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EXPENSES ----

EXPENSE CATEGORY 1

PAYROLL	19647.05	10.20	178063.13	8.48
SUPPLIES	1364.87	0.72	38669.42	1.84
MAINTENANCE	7669.08	3.02	54698.75	2.61
	5214.98	2.71	42257.29	2.01
	18882.12	9.81	145466.54	6.93
	886.36	0.46	4334.72	0.21
	670.18	0.35	5847.90	0.28
	69.51	0.04	1176.94	0.06
	320.93	0.17	7581.68	0.36
	884.00	1.55	21274.03	1.01
		4.53	60412.52	2.89
		0.02	210.86	0.01
		0.01	19552.51	0.93
		0.21	4301.47	0.20
		0.08	14664.43	0.70
		0.03	9197.01	0.44
			14432.04	0.69
			82329.57	3.92
			9.96	0.00
			40102.49	4.29
			281.10	0.01

	AMOUNT	% SALES	AMOUNT	% SALES
GASOLINE	123.38	0.06	1128.92	0.05
CAR RENTAL	0.00	0.00	5425.00	0.26
INSURANCE-GENERAL	9350.84	4.86	51364.84	2.45
INTEREST EXPENSE	1455.54	0.76	12670.02	0.60
RENT	10900.00	5.65	87200.00	4.15
TAXES-STATE-CC.-LOCAL	0.00	0.00	3534.16	0.17
MISC. EXPENSES	382.25	0.20	7484.58	0.36
OFFICE EXPENSES	222.57	0.12	1123.12	0.05
TELEPHONE & TELEGRAPH	867.29	0.45	7977.07	0.38
POSTAGE	83.14	0.04	635.79	0.03
BANK CHARGES	1.16	0.00	25.87	0.00
DUES AND SUBSCRIPTIONS	322.59	0.17	5664.90	0.27
SECURITY	91.56	0.05	12218.92	0.58
RETIREMENT INSURANCE PROGRAM	30.00	0.02	800.00	0.04
TOTAL	124172.84	64.48	992127.55	47.27

TOTAL OPERATING EXPENSES	124172.84	64.48	992127.55	47.27
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NET OPERATING INCOME	21314.71	11.07	21325.34	1.02
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NET INCOME	21314.71	11.07	21325.34	1.02
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CURRENT PERIOD      PREVIOUS PERIOD  
AMOUNT    % SALES    AMOUNT    % SALES

SUPPORTING SCHEDULES

MISCELLANEOUS INCOME

INTEREST INCOME

249.47    0.13    4306.05    0.21

TOTAL

249.47    0.13    4306.05    0.21

COST OF SALES

PURCHASES-METAL

42643.54    22.25    830936.70    39.59

PURCHASES-BROKERAGE

0.00    0.00    226437.60    10.79

FREIGHT EXPENSES

4180.89    2.17    25013.97    1.19

PETERBILT EXPENSE

59.50    0.03    3025.10    0.14

TOTAL

47083.93    24.45    1035413.37    51.71

	CURRENT PERIOD		PREVIOUS PERIOD	
	AMOUNT	% SALES	AMOUNT	% SALES
REVENUE				
REVENUE	192571.48	100.00	2098866.26	100.00
NET SALES	192571.48	100.00	2098866.26	100.00
COST OF GOODS SOLD	47083.93	24.45	1025413.37	51.71
GROSS PROFIT	145487.55	75.55	1013452.89	48.29
EXPENSES				
EXPENSE CATEGORY 1	124172.84	64.48	992127.55	47.27
TOTAL OPERATING EXPENSES	124172.84	64.48	992127.55	47.27
OPERATING INCOME	21314.71	11.07	21325.34	1.02
INCOME	21314.71	11.07	21325.34	1.02



SUMMARY

	Quantity	Amount
Freight time	754.9997	7,515.33
vertime	163.4991	1,280.40
omissions	0	0.00
ns	0	0.00
ocation time	8	44.00
rk leave	0	0.00
scellaneous	0	0.00
otal Gross Wages		8,842.73

ASSETS

CURRENT ASSETS

CASH	46657.55
ACCOUNTS RECEIVABLE	173050.14
ACCT. RECEIVABLE-OFFICER	76843.27
PREPAID EXPENSES	77525.21
INVENTORY	550.93

377635.10

FIXED ASSETS

LEASEHOLD IMPROVEMENTS	126047.40
MACHINERY AND EQUIPMENT	902592.22
VEHICLES	85652.27
FURNITURE AND FIXTURES	21910.00
ACCUMULATED DEPRECIATION	(753863.71)

383138.18

OTHER ASSETS

DEPOSITS	11033.99
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11033.99

TOTAL ASSETS

771807.27

# LIABILITIES & CAPITAL

ENT LIABILITIES  
CURRENT LIABILITIES  
ACCURED EXPENSES

62017.55  
28726.58

90744.13

TERM LIABILITIES  
NOTES PAYABLE

189732.60

189732.60

LIABILITIES

260476.73

TOTAL  
CAPITAL STOCK  
CAPITAL IN EXCESS OF PAR VALUE  
TREASURY STOCK  
EAR TO DATE PROFIT/LOSS  
RETAINED EARNINGS

415.00  
54281.24  
(153000.00)  
36986.72  
544647.56

491330.54

CAPITAL

491330.54

LIABILITIES & CAPITAL

771807.27

# ATTACHING SCHEDULES

## CASH

PETTY CASH	700.00	
CASH IN BANK-REGULAR	46359.79	
CASH IN BANK-PAYROLL	3.92	
CERTIFICATES OF DEPOSIT	(406.16)	
TOTAL		46657.55

## ACCOUNTS RECEIVABLE

ACCOUNTS RECEIVABLE-TRADE	161419.91	
ACCOUNTS RECEIVABLE-EMPLOYEES	14638.23	
TOTAL		176058.14

## PREPAID EXPENSES

DEFERRED EXPENSES	46321.21	
PREPAID TAXES	31204.00	
TOTAL		77525.21

## INVENTORY

INVENTORY-METAL	517.75	
INVENTORY-SUPPLIES	33.18	
TOTAL		550.93

## DEPOSITS

UTILITY DEPOSIT	11033.99	
TOTAL		11033.99

## CURRENT LIABILITIES

ACCOUNTS PAYABLE-TRADE	62017.55	
TOTAL		62017.55

## EXPENSES

INSURANCE	30251.74	
	(3448.20)	
TAXES	1856.63	
TOTAL	66.41	28726.59

1500.00

955.00

892.29

809.82

22.18

60.39

====CURRENT PERIOD==== YEAR TO DATE====  
 AMOUNT % SALES AMOUNT % SALES

--- REVENUE ---

REVENUE				
PROCESSING REVENUE	128741.30	56.32	586209.02	36.61
METAL SALES	99612.14	43.58	781889.14	48.83
BROKERAGE SALES	0.00	0.00	230457.15	14.39
MISCELLANEOUS INCOME	215.84	0.09	2735.13	0.17
TOTAL	228569.28	100.00	1601290.44	100.00

NET SALES	228569.28	100.00	1601290.44	100.00
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COST OF GOODS SOLD				
COST OF SALES	99996.42	43.75	931891.37	58.20
TOTAL	99996.42	43.75	931891.37	58.20

GROSS PROFIT	128572.86	56.25	669399.07	41.80
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--- EXPENSES ---

EXPENSE CATEGORY 1

PAYROLL	20542.32	8.99	111056.41	6.94
SUPPLIES	8507.34	3.72	28332.26	1.77
MAINTENANCE	4022.46	1.76	35890.89	2.24
REPAIRS	0.00	0.00	27437.72	1.71
	14475.31	6.33	98372.52	6.15
	854.73	0.37	2575.49	0.16
	451.99	0.20	3762.64	0.23
	30.08	0.01	1000.80	0.06
	563.68	0.25	6047.34	0.38
	3458.15	1.51	14208.48	0.89
	5653.42	2.47	37458.52	2.34
	0.00	0.00	38.63	0.00
	2367.94	1.04	12330.16	0.77
	31.23	0.01	3136.70	0.20
	8.29	0.00	12562.96	0.78
	8.00	0.00	5521.00	0.34
	4.00	0.00	9888.40	0.62
	6.74	0.00	50046.71	3.13
			6.75	0.00
			53123.38	3.32
			281.10	0.02
			930.96	0.06

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	====CURRENT PERIOD====		====YEAR TO DATE====	
	AMOUNT	% SALES	AMOUNT	% SALES
CAR RENTAL	775.00	0.34	3875.00	6.24
INSURANCE-GENERAL	3954.46	1.73	33302.24	2.08
INTEREST EXPENSE	1564.20	0.68	8036.51	0.50
RENT	10900.98	4.77	54500.00	3.40
TAXES-STATE-CD.-LOCAL	0.00	0.00	3534.16	0.22
MISC. EXPENSES	293.93	0.13	6276.83	0.39
OFFICE EXPENSES	75.93	0.03	746.27	0.05
TELEPHONE & TELEGRAPH	790.47	0.35	5821.21	0.36
POSTAGE	105.13	0.05	375.79	0.02
BANK CHARGES	(15.74)	-0.01	8.31	0.00
DUES AND SUBSCRIPTIONS	472.84	0.21	4497.21	0.28
SECURITY	2984.50	1.31	6901.00	0.43
RETIREMENT INSURANCE PROGRAM	70.00	0.03	630.00	0.04
-----				
TOTAL	108686.11	47.55	632412.35	39.49
-----				
TOTAL OPERATING EXPENSES	108686.11	47.55	632412.35	39.49
=====				
OPERATING INCOME	19886.75	8.70	36986.72	2.31
=====				
INCOME	19886.75	8.70	36986.72	2.31
=====				

====CURRENT PERIOD==== YEAR TO DATE====  
AMOUNT % SALES AMOUNT % SALES

SUPPORTING SCHEDULES

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MISCELLANEOUS INCOME

INTEREST INCOME	215.84	0.09	2735.13	0.17
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TOTAL	215.84	0.09	2735.13	0.17
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COST OF SALES

PURCHASES-METAL	98176.58	42.95	686943.24	42.90
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PURCHASES-BROKERAGE	0.00	0.00	226437.60	14.14
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FREIGHT EXPENSES	1360.12	0.60	16323.98	1.02
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PETERBILT EXPENSE	459.72	0.20	2186.55	0.14
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TOTAL	99996.42	43.75	931891.37	58.20
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====CURRENT PERIOD====    ===YEAR TO DATE=====  
AMOUNT    % SALES    AMOUNT    % SALES

--- REVENUE ---				
REVENUE	228569.28	100.00	1601290.44	100.00
	=====		=====	
NET SALES	228569.28	100.00	1601290.44	100.00
	=====		=====	
COST OF GOODS SOLD	99996.42	43.75	931891.37	58.20
	=====		=====	
GROSS PROFIT	128572.86	56.25	669399.07	41.80
	=====		=====	
-- EXPENSES --				
EXPENSE CATEGORY 1	108686.11	47.55	632412.35	39.49
	=====		=====	
AL OPERATING EXPENSES	108686.11	47.55	632412.35	39.49
	=====		=====	
OPERATING INCOME	19886.75	8.70	36986.72	2.31
	=====		=====	
INCOME	19886.75	8.70	36986.72	2.31
	=====		=====	



## BALANCE SHEET

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## ASSETS

## CURRENT ASSETS

CASH	62092.62
ACCOUNTS RECEIVABLE	119311.68
ACCT. RECEIVABLE-OFFICER	75254.26
PREPAID EXPENSES	73118.23
INVENTORY	7110.93

356887.72

## FIXED ASSETS

LEASEHOLD IMPROVEMENTS	130847.90
MACHINERY AND EQUIPMENT	903279.72
VEHICLES	80952.27
FURNITURE AND FIXTURES	21910.00
ACCUMULATED DEPRECIATION	(764174.94)

372814.45

## OTHER ASSETS

DEPOSITS	11033.99
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11033.99

## TOTAL ASSETS

740736.16

--- LIABILITIES & CAPITAL ---

ENT LIABILITIES		
URRENT LIABILITIES	34894.03	
CCRUED EXPENSES	23752.11	
	-----	58646.14
TERM LIABILITIES		
DTES PAYABLE	191148.39	
	-----	191148.39
LIABILITIES		249794.53
TAL		
APITAL STOCK	415.00	
APITAL IN EXCESS OF PAR VALUE	59281.26	
REASURY STOCK	(150000.00)	
EAR TO DATE PROFIT/LOSS	36597.81	
ETAINED EARNINGS	544647.56	
	-----	490941.63
CAPITAL		490941.63
		-----
LIABILITIES & CAPITAL		740736.16
		=====

BALANCE SHEET  
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--- SUPPORTING SCHEDULES ---

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PETTY CASH	700.00	
CASH IN BANK-REGULAR	81342.62	
CASH IN BANK-PAYROLL	50.00	
TOTAL		82092.62

ACCOUNTS RECEIVABLE

ACCOUNTS RECEIVABLE-TRADE	104338.33	
ACCOUNTS RECEIVABLE-EMPLOYEES	14973.55	
TOTAL		119311.68

PREPAID EXPENSES

DEFERRED EXPENSES	41914.23	
PREPAID TAXES	31204.00	
TOTAL		73118.23

INVENTORY

INVENTORY-METAL	517.75	
INVENTORY-SUPPLIES	6593.18	
TOTAL		7110.93

DEPOSITS

UTILITY DEPOSIT	11033.99	
TOTAL		11033.99

LIABILITIES

ACCOUNTS PAYABLE-TRADE	34894.03	
		34894.03

INSURANCE

26239.64

TAXES

43466.20

912.26

66.41

23752.11

0000.00

0000.00

760.00

79.58

CONSOLID. INCOME STATEMENT

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====CURRENT PERIOD==== YEAR TO DATE====

AMOUNT % SALES AMOUNT % SALES

REVENUE

REVENUE				
PROCESSING REVENUE	85201.18	59.09	671410.20	38.46
METAL SALES	58290.75	40.42	840179.89	48.12
SALES-MISC.	163.35	0.11	163.35	0.01
BROKERAGE SALES	0.00	0.00	230457.15	13.20
MISCELLANEOUS INCOME	542.58	0.38	3683.87	0.21
TOTAL	144197.86	100.00	1745894.46	100.00

NET SALES	144197.86	100.00	1745894.46	100.00
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COST OF GOODS SOLD

COST OF SALES	37383.43	25.93	969274.80	55.52
TOTAL	37383.43	25.93	969274.80	55.52

GROSS PROFIT	106814.43	74.07	776619.66	44.48
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EXPENSES

CATEGORY 1

21274.21	14.75	132330.62	7.58
1169.50	0.81	29501.76	1.69
1902.55	1.32	37793.44	2.16
5106.99	3.54	32544.71	1.86
19746.94	13.69	108119.48	6.19
405.69	0.28	2981.18	0.17
832.40	0.58	4595.04	0.26
29.04	0.02	1029.84	0.06
318.85	0.22	6366.19	0.36
555.45	1.08	15761.93	0.90
10.39	5.90	45968.91	2.63
1.41	0.04	100.04	0.01
0.20	1.69	14760.36	0.85
0.13		5540.83	0.29
		627.61	0.72
		815.00	0.33
		87.54	0.58
			3.46
			0.00

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	====CURRENT PERIOD====		====YEAR TO DATE====	
	AMOUNT	% SALES	AMOUNT	% SALES
GASOLINE	0.00	0.00	830.96	0.03
CAR RENTAL	775.00	0.54	4650.00	0.27
INSURANCE-GENERAL	4406.98	3.06	37709.22	2.16
INTEREST EXPENSE	1413.15	0.98	9744.62	0.56
RENT	10900.00	7.56	65400.00	3.75
TAXES-STATE-CD.-LOCAL	0.00	0.00	3534.16	0.20
MISC. EXPENSES	491.30	0.34	6768.13	0.39
OFFICE EXPENSES	40.73	0.03	787.00	0.05
TELEPHONE & TELEGRAPH	312.19	0.22	6133.40	0.35
POSTAGE	107.08	0.07	482.87	0.03
BANK CHARGES	3.00	0.00	24.71	0.00
DUES AND SUBSCRIPTIONS	327.09	0.23	4824.30	0.28
SECURITY	2752.75	1.91	9553.75	0.55
RETIREMENT INSURANCE PROGRAM	70.00	0.05	700.00	0.04
TOTAL	107301.14	74.41	740021.85	42.39
TOTAL OPERATING EXPENSES	107301.14	74.41	740021.85	42.39
OPERATING INCOME	<486.71>	-0.34	36597.81	2.10
INCOME	<486.71>	-0.34	36597.81	2.10

CONSOLID. INCOME STATEMENT

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====CURRENT PERIOD====    ===YEAR TO DATE=====  
 AMOUNT    % SALES    AMOUNT    % SALES

--- SUPPORTING SCHEDULES. ---

MISCELLANEOUS INCOME

INTEREST INCOME	542.58	0.38	3683.87	0.21
TOTAL	542.58	0.38	3683.87	0.21

COST OF SALES

PURCHASES-METAL	34572.68	23.98	721515.92	41.33
PURCHASES-BROKERAGE	0.00	0.00	226437.60	12.97
FREIGHT EXPENSES	2039.11	1.83	18963.09	1.09
PETERBILT EXPENSE	171.64	0.12	2358.19	0.14
TOTAL	37383.43	25.93	969274.80	55.52

## SMOKEY MOUNTAIN SMELTERS, INC.

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## ----- ASSETS -----

## CURRENT ASSETS

CASH	138787.26	
ACCOUNTS RECEIVABLE	395544.38	
ACCT. RECEIVABLE-OFFICER	25808.70	
PREPAID EXPENSES	41856.39	
INVENTORY	10766.07	
	-----	612762.80

## FIXED ASSETS

LEASEHOLD IMPROVEMENTS	119634.00	
MACHINERY AND EQUIPMENT	899793.87	
VEHICLES	50694.63	
FURNITURE AND FIXTURES	21910.00	
ACCUMULATED DEPRECIATION	(723481.99)	
	-----	368550.51

## OTHER ASSETS

DEPOSITS	11033.99	
	-----	11033.99

## TOTAL ASSETS

992347.30  
=====

## SMOKEY MOUNTAIN SMELTERS, INC.

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## ----- LIABILITIES &amp; CAPITAL -----

## CURRENT LIABILITIES

CURRENT LIABILITIES	273225.71	
ACCRUED EXPENSES	14306.23	
	-----	287531.94

## LONG TERM LIABILITIES

NOTES PAYABLE	195309.81	
	-----	195309.81

## TOTAL LIABILITIES

482841.75

## CAPITAL

CAPITAL STOCK	415.00	
CAPITAL IN EXCESS OF PAR VALUE	59281.26	
TREASURY STOCK	(150000.00)	
YEAR TO DATE PROFIT/LOSS	55161.73	
RETAINED EARNINGS	544647.56	
	-----	509505.55

## TOTAL CAPITAL

509505.55

## TOTAL LIABILITIES &amp; CAPITAL

992347.30



## SMOKEY MOUNTAIN SHELTERS, INC.

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## --- SUPPORTING SCHEDULES ---

CASH

PETTY CASH	700.00	
CASH IN BANK-REGULAR	117256.88	
CASH IN BANK-PAYROLL	44.95	
CERTIFICATES OF DEPOSIT	20785.43	
TOTAL	-----	138787.26

ACCOUNTS RECEIVABLE

ACCOUNTS RECEIVABLE-TRADE	380277.95	
ACCOUNTS RECEIVABLE-EMPLOYEES	15266.43	
TOTAL	-----	395544.38

PAID EXPENSES

DEFERRED EXPENSES	29318.39	
PREPAID TAXES	12538.00	
TOTAL	-----	41856.39

INVENTORY

INVENTORY-METAL	517.75	
INVENTORY-SUPPLIES	10246.32	
TOTAL	-----	10766.07

DEPOSITS

SAFETY DEPOSIT	11033.99	
	-----	11033.99

ACCOUNTS PAYABLE

ACCOUNTS PAYABLE-TRADE	273225.71	
	-----	273225.71

LIABILITIES

LIABILITIES	15637.58	
	3454.60	
	2056.84	
	66.41	
	-----	14306.23

## SNOKEY MOUNTAIN SHELTERS, INC.

CONSOLID. INCOME STATEMENT  
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--- REVENUE ---	====CURRENT PERIOD====		====YEAR TO DATE=====	
	AMOUNT	% SALES	AMOUNT	% SALES
REVENUE				
PROCESSING REVENUE	120781.41	23.19	261130.29	33.91
METAL SALES	395817.85	76.01	504144.75	65.47
BROKERAGE SALES	3524.95	0.68	3524.95	0.46
MISCELLANEOUS INCOME	619.23	0.12	1225.24	0.16
TOTAL	520743.44	100.00	770025.23	100.00
NET SALES	520743.44	100.00	770025.23	100.00
COST OF GOODS SOLD				
COST OF SALES	351795.30	67.56	460296.64	59.78
TOTAL	351795.30	67.56	460296.64	59.78
GROSS PROFIT	168948.14	32.44	309728.59	40.22
EXPENSES				
	19852.48	3.81	40511.90	5.26
	3003.68	0.56	9401.46	1.22
	7318.06	1.41	14499.24	1.88
	4929.42	0.95	14524.99	1.89
	21852.47	4.20	39072.32	5.07
	855.07	0.16	855.07	0.11
	1312.89	0.25	1978.81	0.26
	338.32	0.06	484.85	0.06
	339.08	0.07	2840.26	0.37
	5417.72	1.04	7258.03	0.94
	58.54	0.01	14769.56	1.94
	18.63	0.01	38.43	0.01
			1.47	0.00
			0.05	0.00
				0.39
				0.32

## SMOKEY MOUNTAIN SMELTERS, INC.

CONSOLID. INCOME STATEMENT  
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	====CURRENT PERIOD===		====YEAR TO DATE=====	
	AMOUNT	% SALES	AMOUNT	% SALES
INSURANCE-GENERAL	11920.63	2.29	16480.31	2.14
INTEREST EXPENSE	1560.75	0.30	3192.19	0.41
RENT	10900.00	2.09	21800.00	2.83
TAXES-STATE-CD.-LOCAL	0.00	0.00	3534.16	0.46
MISC. EXPENSES	(43.25)	-0.01	(415.06)	-0.05
OFFICE EXPENSES	2.31	0.00	438.45	0.06
TELEPHONE & TELEGRAPH	1458.60	0.28	2529.40	0.33
POSTAGE	67.00	0.01	107.80	0.01
BANK CHARGES	5.33	0.00	8.31	0.00
DUES AND SUBSCRIPTIONS	599.80	0.12	1389.18	0.18
SECURITY	0.00	0.00	1974.00	0.26
RETIREMENT INSURANCE PROGRAM	140.00	0.03	280.00	0.04
TOTAL	128945.29	24.76	254566.86	33.06
TOTAL OPERATING EXPENSES	128945.29	24.76	254566.86	33.06
OPERATING INCOME	40002.85	7.68	55161.73	7.16
INCOME	40002.85	7.68	55161.73	7.16